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Paris, Wednesday, January 20, 1999

# Takes Salva Vew Threat His 3d Va To Belgrade Of Air Strikes

Massacre in Kosovo Prompts Reassessment Of Western Strategy

By Joseph Fitchett International Herald Tribune

PARIS — The United States urged its NATO allies Tuesday to reinstate their threat of air strikes against Serbia as the alliance's top military officers met in Belgrade with President Slobodan Milosevic to press international demands over Kosovo, including an independent international investigation of the massacre of 45 ethnic Albanians there last

"It is a turning point for the West on Kosovo," a NATO ambassador in Brussels said, explaining that allied gov-

Daunting test for alliance. Page 8.

ernments were grappling with the need for new policies, perhaps incloding mil-itary force beyond air strikes in the wake of the Serbian defiance of the cease-fire agreement reached in October.

Insisting on the oeed for broader con-cessions, the U.S. national security ad-iser, Samoel Berger, said in Wash-ington that Belgrade must pull out more forces from Kosovo to meet the ceilings set in October.

That "very hlunt message," he said, was given to Mr. Milosevic by General Wesley Clark, the commander of allied forces in Europe, and General Klaus Naumann, chairman of NATO's mil-

If Mr. Milosevic resists, 'NATO's plans are still very much on the table and the threat of force is very much an op-tioo," Mr. Berger told CNN television. After the two generals report to NATO headquarters, the main Western countries will meet with Russia to discuss the crisis, then pursue consultations before a meeting next week of the

European Union foreign ministers. MODIEM WE LEWITIN ( Mr. Milosevic forces us to launch air strikes, we have to be ready with what we're going to do the oext day - including the possibility of sending in ground forces," said the NATO am-

bassador, who requested anonymity. Calls for a new Western strategy also came from President Jacques Chirac of France as U.S. officials acknowledged that the October cease-fire had prevented a humanitarian disaster in Kosovo hut had oot convinced Mr. Milosevic to grant political autonomy to the Serbian province's ethnic Albanian majority.

Serbian political stone-walling was the cause of the increasing violence in Kosovo that culminated Friday in a massacre of civilians, James Rubin, the State Department spokesman, said Tuesday. He added that the United States had asked NATO members to reverse their decision suspending the "activation or-der" for air strikes last October.

To avoid attacks now, Mr. Rubin adjusted, Belgrade oeeded to bring to justice the people responsible for or-dering the massacre, as well as those who carried it out. As part of the process, Mr. Rubin said, Louise Arbour, head of the international court of justice, needed to be allowed to investigate the crime. When she sought to enter Kosovo on Monday, she was turned away by

Serbian border guards.

Mr. Robin said that Belgrade also needed to reverse its decision to oust the head of the international observer force in Kosovo, William Walker, who on Tuesday received a 24-hour extension of the expulsion order issued against him the day before. On Monday, he had been given two days to leave the country after he bluntly blamed Serbian forces for the

massacre of ethnic Albanians at Racak.
A U.S. diplomat, Mr. Walker runs the multinational group of civilians mon-itoring the cease-fire on behalf of the Organization for Security and Cooperration in Europe, whose role was ac-

#### ■ Yugoslav Denies Massacre

The head of the Yugoslav forensic team examining the bodies of the ethnic
Albanians who the West says were massacred by Serbian policemen said Tuesday that they bore oo signs of having been executed, Reoters reported from

Pristina, Serbia. "Not a single body bears any sign of execution," Sasa Dobricanin said.
"The bodies were oot massacred."

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King Hussein waving to crowds in the streets of Amman on Tuesday.

### Jordan's King Back Home 'A Lot to Be Done,' He Says, Amid Acclaim

By Howard Schneider

AMMAN, Jordan - King Hussein returned Tuesday from his intense and apparently successful six-month battle with cancer at a U.S. climic, and he was greeted by a festive throng that filled the streets of this city in winter chill and a rare rainstorm to sing, dance, shout in loud Arabic trills and mark the

homecoming of one of the world's loogest-serving heads of state.

Accompanied by eight fighter jets, the king, piloting his own plane, touched down just before 3 P.M., ending an extended absence that triggered talk about the contry's and the lordenian measure. the Jordanian monarchy's ability to cope without its charismatic leader.

In a business suit and red Bedouin kaffiyeh, looking aged from his chemotherapy treatment but smiling broadly, the king left his plane, closed his eyes and bowed to the ground in line of family members, politicians and regional leaders.

and regional leaders.
"There is a lot to be done," from foreign policy challenges like the peace process with Israel to domestic ssues like a critical water shortage, King Hussein, 63, said in brief com-ments to reporters. 'It is a continuous struggle with me. It has been 40-plus years, so every now and then we review and see what needs to be done to make people feel more confident in

their future." After low-key welcoming ceremonies at a central Amman airport, the monarch, eschewing a protective hubble-vehicle like the one used by the Pope, instead boarded a cream-colored Mercedes limousine, stuck his bead through the surroof, and embarked on a rancous, flag-waving, hand-clapping, firecracker-pop-ping motorcade through the streets. The euphoria could be felt along

the capital's main boulevard, bedecked for days with lights, signs, and large photo portraits of the man who led Jordan's evolution from the largely Bedonin, desert country he inherined in the early 1950s to a regional model of political stability and evolving economic and political modernization.

Not all of his policies have been popular. A peace treaty with Israel still rankles many here, particularly among the majority of lordanians of Palestinian ancestry, and there are those who feel the king has shirked the diller aspects of running a country in pursuit of larger, more high-profile diplomatic missions. Nor has his rule all been peaceful: He hrutally quelled an oprising of Palestinians in 1970.

But as a man, a oear father-figure and a monarch, he remains wildly popular. Since he disclosed last summer the return of a disease that had

mer the return of a disease that had been treated five years earlier, Jordan

See KING, Page 8

### AGENDA

#### **IOC Member Resigns Over Scandal**

The International Olympic Committee suffered its first casualty from the bribery scandal surrounding the 2002 Winter Games in Salt Lake City when a Finnish member resigned Tuesday following charges that her former husband was employed by the organizing committee.

Pirjo Haeggman, a physical edu-

New York	Tuesday 4 4 P.M.	previous close
Euro	1.1622	1.1558
Pound	1.656	1,6493
Yen	113.45	113.95
DM	1.683	1.6908
FF	5.6444	5.6707
Dollars per pour	nd and per euro.	
	The Dow	
	Tuesday close	percent change
+ 14.57	9,355.22	+ 0.16%
	S&P 500	
4		percent change
+ 8.74	1,252.00	+ 0.70%
	Nasdag	
7		percent change
+ 59.53	2,407.73	+ 2.54%

By John Markoff

New York Times Service

largest consumer electronics companies in the world announced an alliance

Tuesday with Sun Microsystems Inc. to create a generation of networked

entertainment devices and appliances

that will communicate with each other

and with humans via the Internet.

SAN FRANCISCO - The two

cation teacher and former Olympian, told the IOC president, Juan Antonio Samaranch, that she was withdrawing from the committee even before a panel had completed its review of whether some members violated their oaths hy taking favors from Salt Lake and possibly other cities seeking to stage the Olympics. Page 19.

#### U.S. Cool to Release Of Kurd Chief by Italy

WASHINGTON (Reoters) — The United States expressed mild displeasure on Tuesday that Italy allowed a Kurdish rebel leader, Abdullah Ocalan, to leave before he could be put on trial.

Turkey and the United States call

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# Clinton Lawyers Open Defense

Witches' Brew of Charges' Is Assailed in the Senate

By Brian Knowlton International Herald Tribune

WASHINGTON — White House lawyers opened their defense of President Bill Clinton on Tnesday with a sharp attack against the "witches' brew of charges" that they said had been brought against him and a vow to demonstrate "beyond any doubt" that the Senate had no basis to convict him the Senate had oo basis to convict him and no business to remove him from

The White House opened its present-ation at a moment both crucial and awk-ward — three days after the 13 House prosecutors concluded what many senators called a powerful argument against Mr. Clinton, but just hours before he was to deliver his annual State of

the Union address.

The chief White House lawyer,
Charles Ruff, warned a husbed and attentive Senate to avoid repeating what he called a "rush to judgment" by the House of Representatives and urged it to reject a call from the House managers for witnesses to be heard in the historic

william Jefferson Clinton is not guilty of the charges that have been preferred against him." Mr. Ruff said in a calm, even voice, his tone one of utter seriousness. "He did oot commit perjury. He did not obstruct justice. He must not be removed from office."

In a year of odd, awkward and surreal conjunctures, Tuesday's situation was phenomenal; The first time a president was to deliver his closely watched State of the Union speech even as his im-peachment trial was under way; a chief justice of the United States, William Rehnquist, presiding over that trial be-fore attending the president's speech in a time-honored tradition; senators sitting as jurors in that trial, then crossing over to the hall of the Hoose of Representatives to politely applaud the president's speech.
Mr. Clinton, in this odd exercise, was

being declared a perjurer and a threat to America's moral standards and judicial system in one setting. In the other, he planned to take credit for leading the country into a period of peace and prosperity that 60 percent of Americans

#### A Top Priority: Social Security

In his State of the Union message, President Bill Clinton was expected to make the Social Security program a top priority. He said he favors spend-ing about 62 percent of the government budget surplus to bolster the pro-gram and also wants to invest some of

the cash reserves in the stock marker.

The Senate majority leader, Trent
Lott, said Republicans were committed to saving the giant pension pro-gram without raising taxes or cutting enefits for current recipients

The president also planned to seek to use about 15 percent of the surplus to strengthen Medicare and another 11 percent for military and domestic

Income tax cuts are not part of the president's proposals. Page 3.



Trent Lott on Tuesday, when he vowed to protect Social Security.

say is the best in their lifetime. Mr. Ruff, who is widely respected in Washington legal circles, is taking the lead among Mr. Clinton's seven-lawyer team. He argued that the charges against the president did oot reach the coostitutional standard for removal from

"There is oo suggestion of corruption or misuse of office," he said. The na-ooo's founders, he added, inteoded impeachment only as a "method of re-moving someone whose continued presence in office would cause grave danger to the nation."

Mr. Ruff argued that the articles of impeachment had been belatedly assembled, saying that he first knew of the precise charges against Mr. Clintoo only when the House Judiciary Committee revealed four proposed articles of impeachment, and so vaguely worded as to be constitutionally deficient.

They were, he said, "empty vessels to be filled with some witches' brew of charges considered, charges considered and abandoned, and charges never considered at all."

Mr. Ruff vowed that the president's

lawyers would "defend the president on the facts and on the law and on the consolutional principles that must guide your deliberations. 'He outlined some of those arguments.

With a hint of defiance to those House Republicans who have criticized the White House team as having argued around the facts of the case, Mr. Ruff said, "Some have suggested that we fear to do so. We do not.

"By the end of our presentation we will have demonstrated beyond any doubt that there is no basis on which the Senate can or should convict the president of any of the charges brought

In a gamble, the White Hoose lawyers invited Democratic members of the House Judiciary Committee to join them as part of the defense team, according to the president's spokesman,

He said that Dale Bumpers, a former Democratic senator from Mr. Clinton's home state of Arkansas and a longtime ally of the president, would also join the

See CLINTON, Page 8



Prime Minister Keizo Obuchi speaking Tuesday in Parliament.

### Be More Upbeat, Obuchi Exhorts the Japanese

TOKYO - Prime Minister Keizo Ohuchi promised Tuesday that Japan's recession would end this year and pleaded with the Japanese to be more

"It's easy to grieve and say that the glass is half empty." Mr. Obuchi said.
"But I believe what we need to do is shift our mentality and say instead, 'the glass is half full."

glass is half full."

Opening Parliament's first session of the year with his first major speech since forming a new coalition government, Mr. Obuchi pledged to make 1999 the first year of Japan's economic renaissance.

"I'm determined to do my best for Japan's economic recovery," Mr. Obuchi said. "As pilot of the country in a time of major transition. I humbly devote

time of major transition, I humbly devote all my soul to responsible politics."

But Mr. Obuchi faces an uphill fight.

Opposition groups strongly criticized

the prime minister's speech, saying it was full of moralizing but lacked de-tailed remedies for healing the country's

ailing economy.

"There were no specific proposals,"
Naoto Kan, leader of the main opposition
Democratic Party of Japan, was quoted
as saying by the Kyodo news agency.
The call by Mr. Obuchi for recovery
coincided with a government annouocement that the country is still mired in its

ment that the country is still mired in its worst recession since World War II, and a research agency report that bank-ruptcies soared in 1998.

"The natioo's economy is in what might be called a nacional ecocomic crisis as it faces its worst postwar recession," said Taichi Sakaiya, head of the Economic Planning Agency, in Par-

Finance Minister Kiichi Miyazawa

See JAPAN, Page 4

### British Create Rival to U.S. Arms Giants

#### \$13 Billion Deal Sets Back Talks on Broader European Consolidation

By Joseph Fitchett International Herald Tribane

PARIS - A new defense industry giant emerged Thesday under the leadership of British Acrospace PLC, for the first time creating a potentially tough competitor for the American giants that have dominated global arms markets in recent years.

The company said it had agreed to buy the Marconi military electronics business of General Electric Co. of Bri-

The resulting company will be the biggest arms manufacturer in Europe and the third largest in the world.

The decision, though widely anticipated, jolted the politically charged European defense industry, triggering angry reactions in Germany and France as a blow to prospects for a pan-European armaments conglomerate. One outcome of the shakeout, experts said, could be openings for U.S. arms manufac-turers to find oew partners in Europe and bolster the near-moribund trans-Atlantic tain for £7.76 hillioo (\$12.82 hillioo). cooperation on weapons development.

The deal was described by British execuoves as a step in restructuring the

European industry,
But it was immediately denounced by DaimlerChrysler Aerospace AG of Germany, which had long counted on merging with British Aerospace and cooceivably with a French parmer as well.

That would have been the core of a consolidated European military company, but oow a merger of Daimler-Chrysler Aerospace and British Aerospace is "impossible," according to the German manufacturer, which woold be dwarfed by the new Briosh Aerospace. Thomson-CSF of France, which had

also sought to join with Marconi, said of the deal announced Tuesday, "It is hard to see how that fits into a wider Euro-

pean picture."
The British dealmakers stressed the commercial advantages of the combination. Citing potential savings and nation. Citing potential savings and gains in export potential, Richard Evans, chief executive of British Aerospace, said his company had gained "global reach, world-leading technology and the strength to compete at all levels io the world markets."

But investors and some analysts did not agree, viewing the purchase price as too high. BAe shares fell 60 peoce to 435 on the London Stock Exchange, and GEC shares dipped 29 pence to 553.

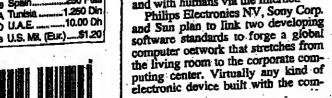
'Both British companies, performing

Both British companies, performing strongly in the 1990s, had manifested growing impatience with French tactics in slowly privatizing defense compa-

See ARMS, Page S







bined standards, including televisions, stereo receivers and videocassette recorders, will interoperate with and be controlled by the network. Sun's technology, known as Jini, is

Home Electronics Firms Plug Into an Internet World

based on the company's Java programming language for Internet applications. A new kind of computing environment, Jini enables programmers to develop software for an entire network of dissimilar machines rather than for just a single computer. It is a "distributed" design, meaning that each device on the network can contribute processing power to the net-work and can participate in the distribution of information and instructions to all the other attached devices. would be the higgest in a flurry of recent acquisioons. Page 11.

combined with the Home Audio Visual Interoperability, or HAVI, architec-ture, developed by a consortium of consumer electronics companies led by Sony and Philips.

The resulting octwork, a new kind of Web Frenzy Gains Speed

At Home Corp., a high-speed In-ternet service aimed at cable-television subscribers, said Tuesday that it would buy Excite Inc., one of the leading Internet Web sites, for about \$6.7 hillion in stock. If completed, the deal

Uoder the agreement, Jini will be computing platform for the anticipated post-personal computer era, might make it possible, for example, to program a VCR while away from home or to seamlessly route a television program to a computer disk drive or recordable

to a computer disk drive or recordable digital video disk for later playback.

"This is a first major step to unleashing the potential of future technology to the home today," Eddy Odijk, general manager for system architectures at Philips, said Tuesday.

"This is a very good marriage," said Mike Clary, who heads development of Jini, which Sun announced last year, "It will make possible a wide range of new

See LINK, Page 13

By Peter S. Green

International Herald Tribune RAGUE - Ten years ago Tuesday, the playwright and human rights activist Vaclav Havel laid a small bunch of lilies at a statue in central Prague to honor a Czech student. Jan Palach, who had set himself oo fire in January 1969 to protest the Soviet occupation of Czechoslovakia.

Mr. Havel and several other dissidents were arrested. He spent the next four months in a Com-

On Tuesday, Mr. Havel, now Czech president, laid a similar bouquet at the statue of St. Wenceslas to mark the anniversary of Mr. Palach's act. Just a

few dozen people looked on. Mr. Palach had said that he would immolate himself because life under Soviet rule was hopeless, with few Czechs doing anything to resist the oc-cupiers and their hard-line Czech puppets.

He hoped, he said, to shake the Czechs from their lethargy. But only a few seem to have been inspired by Mr. Palach, either then or now. It took another 20 years for Communism to collapse here, largely from

Czechs today are in what Mr. Havel recently called a national "foul mood," oppressed not by outside invaders but by their own inability to harvest the fruits of economic and political reform, nine years after Communist rule collapsed.

Unveiling n hust of Mr. Palach this week, Mr. Havel said that the student's action would forever

be a mirror held up to society.

"All that's changed is what we see in the mirror." he said. "Today it shows us our selfishness. opportunism and everything that in the time of Palach's act was called stealthy collaboration." The problem, Mr. Havel has said in speeches and talks over the past several years, is that Czechs have

begun to stake everything oo getting rich, quickly, and that few people are interested in helping others. Misguided conomic policies, unfinished reforms and widespread corruption have kept growth from becoming more widespread. The economy, in fact, is poised to enter a second year of recession. Parliament is deadlocked as politicians bicker for points and power, and Czechs increasingly see their

dreams of a better life slipping from their grasp. While foreign companies operating here are thriving, many of the largest Czech husinesses — and big



state-owned banks -- are on the verge of collapse

Unemployment is 7 perceot and rising, and in-

flation is expected to hit double digits this year for

Especially emhittering to Czechs, neighboring

HEN MR. PALACH died, Czechs all

over the country stopped work for five

minutes as his funeral started. But after

Hungary and Poland are thriving, after making the economic sacrifices Czechs thought they could

that, it took eight years before a sig-nificant dissident movement emerged, and 20 years before Communism collapsed. Now as theo, many

Czechs see their country's problems and are happy

to complain about them, but few people seem inspired by Mr. Palach's example to fight — albeit in less dramaoc ways — for a better society.

plagued by mismanagement and corruption.

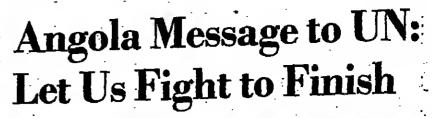
Mourners at the funeral of Jan Palach in Prague in January 1969, after the youth burned himself to death to protest the Soviet-dominated Communist rule.

the first time in nearly a decade.

"Part of the public has the feeling that somebody has cheated them, and it doesn't matter if the feeling is justified or not," said Jan Herzmano, a poll-taker at the Sofres-Factum agency. "This perception just leads to a passiveness and loss of faith in pol-

Despite Mr. Havel's call for Czechs to see Mr. Palach's sacrifice as an inspiration to take up arms against the sea of troubles inundating Czech sociery, few people, even among the young, post-Communist generation who say they are prepared to help make society better, find any inspiration in his

"We'll remember his name in 50 years," said Vaclay Bartuska, 34, an editor at the newspaper Miada Fronta Does and a student leader in the 1989 "Velvet Revolution." "But it is so much beyond our comprehension that I soll don't know what to think about it. I don't see Jan Palach as a role model or a martyr who leads the way."



By Donald G. McNeil Jr. New York Times Service

LUANDA, Angola - After five years of trying to make peace in Angola, having spent at least \$1.5 billion and having seen 60 of its staff members lose their lives, the United Nations is oow an uowelcome guest here.

Both the government and the rebels have essentially indicated that they want the peacekeepers to leave so that the two sides can fight to the finish without interference in this country that is one of the most troubled, and potentially one of the richest, in Africa.

Now, the United Nations seems set to give in Secretary-General Kofi Annan recommended in a report to the Security Council oo Sunday night that after four years of operation the organization withdraw its peacekeepers. So far, some UN aid organizations have indicated that they will continue in the country. but it is unclear whether they would be able to operate.

"There are things we are not sup-posed to witness." Issa Diallo, the UN special representative to Angola, said Monday. "That's why we're asked out to be here.

"Bnt we can't just leave a population that's suffering. And tomorrow it will be worse. War is spreading all over this

сошину. The war has been rekindling for weeks. It is said to be fiercest around the central highlands towns of Huambo, Cuito and Malanje. There are reports that rebel troops are moving toward Soyo, a northern oil area, and there have been attacks on diamond mines in the northeast that the rebels are trying to retake.

There appeared to be no particular nervousness, though, in the capital, Lu-anda, which is part of the coastal strip that the government considers secure.

After many years of guerrilla warfare in Angola, a peace agreement was reached in May 1991 calling for elecdoos in 1992. A government victory at the polis led the rebel leader, Jonas Savimbi, to renew the fighting. After government offensives in 1994, a peace treaty was signed with the rebels, the National Unioo for the Total Iodependence of Angola, known by its Portuguese acronym, UNITA.

The agreement called for demobilization of the rebels and the formation of a joint government, but Mr. Savimhi has oot joined the government, demobilization did not succeed and fighting began anew.

Recently, the UN force has dwindled to 1,000 observers, from nations as diverse as India, Portugal, Zimbabwe, Russia, Romania, Bulgaria, Sweden, Spain and Kenya.

Spain and Krenya.

Thinly spread across a country almost twice the size of Texas, they were able to do little but report troop movements oear their camps and odd bits of gossip back to headquarters, and sometimes do good works like help operate clinics. Unlike peacekeepers in Kosovo, they did oot even have the reassurance of a powerful NATO force nearby.

The hints that the United Nations should go had become viciously un-Eduardo dos Santos, in his New Year's address to foreign diplomats, said the United Nations had "lost control over the peace process, whose derailment already is a reality," and expressed his bope that Mr. Annan would fold up the observer missioo oo its Feb. 26 expiration date. Mr. Annan has recom-

mended closing it by March 20. And in what some diplomats believe was a message from the rebels, two UN- chartered planes were shot down, one on Dec. 26 and one on Jan. 2, with a total of 23 people aboard. Both crashes are ofpresident pus Priority priority

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ficially unexplained. The refusal by both sides to let the United Nations launch prompt search and-rescue missions only pointed out

the organization's belplessness.
"Was there a message?" said a diplomat, who spoke on condition of an-ooymity. "Yes. It was: 'Don't fly stay the hell out because we want to killeach other in peace." But observers say that both sides are

foolish to believe that victory awaits them at the end of the fighting, aside from bringing back the misery of war to a country that has had a respite after 30. years of fighting.

"In the short term, it doesn't appear that either side can annihilate the oth-. ," a diplomat said. Mr. Diallo, the UN envoy, was asked

if anything could end the war short of the death or capture of one of the two chief antagonists: Mr. Savimbi or Mr. dos Santos. Mr. Diallo answered with an

emphatic, 'Yes, yes, yes.'

"People can learn from war,' he said. "The Angolans will, But this one will be very tough."

Although the observers are likely to pull out, many UN aid agencies will remain. The World Food Program now feeds about 800,000 people, nearly one-tenth of the population. "There's no question we'll be here whether the observer mission is or oot," said Maria Flynn, a spokeswoman for the World Food Program.

#### TRAVEL UPDATE

#### Train Strike Spreads In Southern France

MARSEILLE (AP) - Train traff( was severely disrupted across much ofsouthern France on Tuesday after drivers in Nice and Avignon joined a strike in this southern port city.

Ooe out of three trains were expected to run Tuesday oo main lines from Marseille, Nice and Avignon, the national train service, SNCF, said. Regional? traffic also was expected to be disrupted, while high-speed lines were seen as running normally.

The strike in Marseille began Thurs-

day. Marseille train drivers called the strike to protest disciplinary measures against four colleagnes accused of holding executives against their will during a

#### Visitors Can Return To See Carnac Stones

# PARIS (AFP) — Visitors are to be readmitted part of the year inside the giant Carnac site of 3,800 standing

stones in western Brittany, which was, fenced off to the public in 1991 to avoid damage to the 6,000-year-old menhirs. The Culture Ministry announced that the site again, but only during the winter-

mooths, outside the tourist season. The damage to vegetation and soil erosion. were said to have been caused by the 800,000 annual visitors.

Cyprus Airways is to ban smoking on its flights to Athens and London, except io the cockpit, the airline announced Tuesday. The two-month experiment is to begin next week. (AFP).

# Clashes in 'No-Fly' Zone Presage More Trouble Ahead

By R. Jeffrey Smith

ADANA, Turkey - The co-pilot of a U.S. Air Force EA-6B electronic jamming plane was flying protective cover for several British Jaguars over northern Iraq last month when he was surprised to see the contrails of an Iraqi surfaceto-air missile and hear an explosion overbead.

Twenty minutes later, another Iraqi missile arced into the sky toward a nearby U.S. F-16, provoking three American warplanes to hurl six 500pound bombs at their assailants.

The Dec. 28 attack was the first against U.S. aircraft in northern Iraq antiaircraft batteries have fired on U.S. and British warplanes in northern Iraq twice more and switched on radar at least three times in preparadon for possible attacks - each time provoking a swift counterstrack by air crews under orders from Washington not to let a

single assault go unpunished.
As a result, what were once rare clashes have quickly become routine for the 100 or so British and American pilots staffing Operation Northern Watch, which enforces the northern "no-fly" zone imposed on Iraq after the 1991 Gulf War and is conducted with Turkey's edgy permission from Incirlik air base on the outskirts of Adana.

With as many Iraqi attacks in the last three weeks as in the previous eight years, concerns are increasing throughout the region that a new phase of military conflict has begun in northem Iraq and that more serious troubles with Iraq may yet lie ahead. None of the Iraqi missile or anti-

aircraft fire has struck a target, but three Iraqi hatteries have been damaged or destroyed. This week, the clashes abated

while the U.S. and allied patrols have been suspended in honor of the end of the Muslim holy month of Ramadan.

But U.S. officials say that over the last month, the Iraqi military has evidlast month, the Iraqi nulitary has evidently laid the groundwork for main. Northern Warch with a senior Turkish taining a robust challenge in allied officer, said the Iraqi leader's moove flights in northern Iraq by moving more evidently was to keep his little on than a dozen additional mobile missile batteries into the air patrol zone, which lies between the Turkish border and the 36th Parallel.

The officials say that these additional batteries constitute a serious threat to might have next.

batteries constitute a serious threat to the operation's aircraft and that the move clearly violates American warnings to Baghdad in 1993 and 1996 not to increase the number of such batteries in

In an additional provocation, the officials said, Iraq has demonstrated an increased willingness to flout an allied ban on flying fixed-wing aircraft in the zone, sending French-built Mirage and Soviet-made MiG jet fighters aloft in the north for as long as an hour when U.S. warplanes were not near.

A senior officer assigned to the

Reuters

the United Nacions oil-for-food program

in Iraq said Tuesday that UN sanctions

amounted to genocide and that ending

them would do more to weaken the Iraqi

leadership than maintaining them.
Denis Halliday, a self-described pa-

cifist who resigned to protest over UN policies in Iraq last September after more than 30 years at the agency.

praised a Freoch plan 10 ease inter-

PARIS — The former coordinator of

actions, said she thought that President Saddam Hussein of Iraq was "thumbing his nose at us.'

Brigadier General David Deprula, who shares command of Operation

might happen next.

For example, although the new prime minister of Turkey, Bulent Ecevit, expressed coocern last week about a possible escalation of the conflict, General h military has provided steady and reliable support for the allied flights, including recent authorization for the planes to begin using new, precision-guided AGM-130A missiles.

The weapons can broadcast a tele-vision image of their target that enables air crews to fine-tune their trajectory, making much more precise strikes pos-AWACS airborne surveillance plane sible from a greater distance than here, which has monitored the Iraqi weapons currently in use, officials said.

But, in an appearance before the

dreo since 1990.

The allies created the oorthem "no-fly" zone in 1991 to protect Iraq's Kurdish minority from a government crackdown on their post-Gulf War re-

But U.S. military officials have shied away from describing exactly what the allied and Turkish response would be if-Bagbdad ever decided to attack the Kurdish groups.

Wheo Iraqi troops advanced into the north in 1996 to crusb a CIA-funded Kurdish oppositioo group, Washington walked away from a fight, ultimately causing more than 5,000 Kurds to fee the first flow. for their lives. But Secretary of State Madeleine Albright gave Kurdish leaders an oral assurance last summer of military support if Baghdad a tacked again, a promise meant as a goad to cooperation among rival Kurdish

"We plan for everything, and we've ot a few options," a U.S. officer said. But Washington needs Ankara's approval to use Turkish air bases, and the Turkish government — fighting a Kurd-ish rebellion on its own soil — is deeply skeptical about the wisdom of propping up a Kurdish alliance in northern Iraq.

#### WEATHER

ast for Thursday through Saturday, as provided by AccuWeather. Еигоре A large storm will head slowly estimated across the country. Severe weather the region. Showers will be common across through Secul to Tokyo country. Severe weather the region. Showers will Thursday through Setut to Tokyo the region. Showers will through Setut to Tokyo the Southeast, while a tendam to Madind and Lishoon on Thursday. There may be snow from the northern Recises to the Great Leises. Another to the Great Leises. Another by dry weather is expected and funderstorms.

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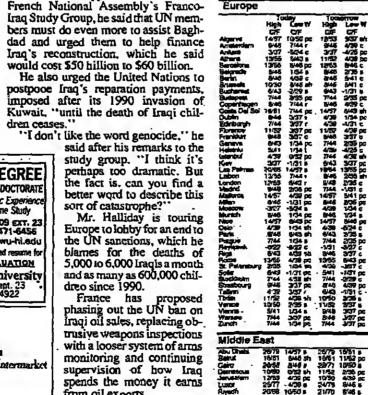
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## President **Puts Priority** On Social Security

The Associated Press WASHINGTON — President Bill Clinton favors spending most of the government budget surplus in bolster Social Security but also wants to use some of it to create retirement accounts for workers, administration officials said Tuesday.

For the first time, some of the money in Social Security cash reserves would be invested by the government in the stock market.

"It's a bold approach in save Social Security now," said the White House press secretary. Joe Lockhart, shortly before the president was to spell out his plans in the State of the Union address Tuesday. "You remember last year was to save Social Security first. It's moved to now."

The president also will call fur using the budget surplus to support the ailing Medicare system and spending another 11 percent for military and domestic programs.

Mr. Clinton's proposal includes no income tax cuts and thus is certain to set up conflicts with many Republicans who want the hudger surplus spent, at least in part, to reduce taxes.

"He wants to spend a lot more money, he wants government to grow," said Don Nickles, Republican of Oklahoma, the Senate majority whip, of the president's plan. "If we're going to have a surplus, we think that taxpayers should be the primary beneficiaries."

Congressional Republicans also have placed Social Security amp their agenda for the new Congress. At a news conference Tuesday, the Senate majority leader, Trent Lott, said Republicans re committed to saving the giant pen-sion program without raising taxes or cutting benefits for current recipients.

Mr. Clinton will suggest using about 62 percent of the extra money, or more than \$2.7 trillinn, in directly bolster Social Security's cash reserves. Another 11 percent, or \$500 billion, would gn to the new government-subsidized re-

tirement savings accounts.

Another 15 percent of the surplus would go to strengthen Medicare, the health insurance program for the elderly and disabled, which like Social Security is expected to be financially overburdened by the huge, aging baby boom

The rest of the surplus, about 11 percent, Mr. Clinton wants for other

spending, including military readiness and domestic programs.

The White House estimates the extra funding would keep Social Security solvent through 2055 and Medicare through 2000

through 2020. Mr. Clinton also will suggest that other structural changes may be needed, but he will leave those choices, which could include such painful choices as raising the retirement age, to be decided through bipartisan negotiations with Congress.

In addition to supplying 62 percent of the expected hudget surplus to Social Security's cash reserves, the president will propose that about one-fourth of the new funding should be invested, in bulk by an independent government board, in the stock market in hopes of increasing

its value. Many Republicans strongly oppose government-controlled investment of Social Security money, citing the risk of political interference in private companies. They would prefer to see some Social Security taxes diverted into perhal accounts that individuals would

The president will ask Congress to help him devise a way that bulk in-vestment decisions coold be made by a board insulated from politics and limited to such options as stock index funds.

The rest of the Social Security cash infusion would be kept - as the program's cash reserves have been tra-ditionally — in safer, but historically lower-yielding U.S. Treasury bonds.

The president also wants to use some of the money to subsidize new Individual Retirement Accounts - dubbed Universal Saving Accounts — to supplement Social Security benefits. The accounts would work something like the 401(k) savings plans many companies offer. allowing workers to choose among several investment options such

as stock and bond funds.

The government would make an annual lump-sum contribution in indiidual accounts, then match workers

we contributions up to a limit. The
president would want a sliding scale for the matching dollars to give bigger subsidies to those with lower incomes, and he might disqualify the wealthiest from the money altogether.

#### A Proposal to Aid Parents

President Clinton will embrace an tilea long favored by conservatives and propose n tax break for parents who stay home to care for their children, White House officials said Monday, The New

York Times reported. The proposed tax credit, up tn \$250 a year far each child under age 1, is smaller than the tax breaks proposed by Republicans for the same purpose. But the administration now accepts the Republican argument that the government should recognize the value of services provided by a parent, generally the mother, who forgoes paid employment to stay home and care for the children.

In the past Mr. Clinton has offered weral proposals to make child care

ore affordable in working parents.
Administration officials said that Mr. Clinton would probably highlight his child-care proposals, including the tax credit, in his State of the Union message

# THE AMERICAS



President Clinton preparing for his State of the Union address with aides in the White House's family theater.

# Iran's Request for Grain Leaves U.S. in Quandary

Administration Questions Motive for Deal

By Thomas W. Lippman and David B. Ottaway

WASHINGTON --- Just as the Clinton administration was reluctantly concluding late last year that its effort in rebuild ties to Iran was going nowhere, Tehran surprised Washington with a request to buy more than \$500 million in American grain and sugar. The move was described by Iran's U.S. purchasing agent as an effort to reach out to the United States.

The proposed transaction requires a Treasury Department license, and the administration is debating whether approval would appear to reward Iran un-deservedly or whether denial would cut off a promising line of contact. The debate is complicated by uncertainty about Iranian motives in placing the

A preliminary, siaff-level recommen-

dation to reject the proposal has been delivered to the White House national security adviser, Samuel Berger, administration officials said, but nn decision is imminent.

A hipartisan group of members of Congress from farming states urged President Bill Clinton last month to permit the transaction, arguing that it would benefit farmers while "demonstrating to the Iranian government an example of the positive results which that can stem from acceptable standards of internaional behavior."

But senior administration officials said Iran is not conforming to "ac-ceptable standards of international be-havinr," despite some improvements since the 1997 election of President Mohammed Khatami.

The administration recently reported to Congress that "despite some signs that the Iranian government wants in improve its standing in the international community, Iran continues to pursue policies that threaten the interests of the United States," including supporting Middle East terrorist groups.

Mr. Clinton banned commerce between Iran and the United States in a 1995 executive order, prompted by Ira-nian support for alleged terrorist or-ganizations and its hostility to peace between Israel and the Palestinians.

Some administration officials argue that the behavior of Iran has not shifted sufficiently to warrant approval of any transaction of the scope of the proposed

grain purchase. The administration has already rejected an application by a small Texas oil company to engage in an oil "swap" with Iran in which oil would be sent from another country to Iran in exchange for Iranian crude with easier export access. Officials said the administration plans to reject all such transactions - including one requested

by Mobil Corp.

After two decades of bitter hostility following the 1979 Iranian revolution. Secretary of State Madeleine Albright held nut an nlive branch last summer, nffering a "road map" to normal re-lations. Her offer reflected the belief nf Mr. Clinton and his senior advisers that Mr. Khatami is less docurinaire in his apposition to all things American than were his predecessors and that his offer of increased cultural contacts might

presage bener ties. The administration took some tentative steps toward testing Iranian sentiment, and welcomed Iranian participation in efforts to bring peace to Afghanistan. But as 1998 drew to a close, officials concluded that Mr. Khatami's preoccupation with an internal power struggle against hard-line factions would prevent him from moving further, even if he were so inclined.

Mrs. Albright's initiative mnribund, a State Department official said, because Tehran still finds it 100 difficult to pursue relations with Washington openly, given the deep hostility to the United States that pervades the ruling religious establishment.

A senior administration official said: "We continue to believe that Khatami is the best opportunity for change in Iran that we have seen since 1979. But I don't see him pushing major new ini-liatives. He's fighting a very difficult domestic battle."

Some administration officials appear to consider the grain purchase order to be only an artifice, aimed at setting the precedent of an approved transaction without consummating a deal. Analysts said cash-strapped Iran, hobbled by low oil prices, could buy some of the commodities from other countries for less

money and on favorable credit terms. The application for a Treasury license was filed by Niki Trading Co., which was created in June by Richard Bliss, a veteran Washington lohbyist, and Yahya Fiuzi, an Iranian-American. "Niki" means "doing good" or "goodwill" in Persian, according to Pani Farkhan, Mr. Fiuzi's daughter, who also work for the appropriate who also works for the company.

Mr. Bliss said the Delaware-hased company was created specifically to negonate and carry out the proposed deal after encouragement from American farmers and the Iranian government.

WWW.

### Clinton Seeks More Funds for Russian Nuclear Cuts

By David E. Rosenbaum New York Times Service

WASHINGTON - President Bill Clinton wants the United States to increase substantially its financial assistance to Russia to help minimize a worldwide threat posed by the country's hage nuclear arsenal, according to administration officials.

"The president believes it's in the national security interest of the American people that we work with Russia and other former Soviet countries to reduce the risk that materials, technology and expertise for weapons of mass destruction fall into the hands of rogue nations or terrorists," said David Leavy, a National Security Council spokesman, describing pro-posals prepared for the president's State of the Union

Another senior official said the president was concerned about "people trying to sell what has value." adding, "As Russia is in a period of greater economic distress, it is even more in our interest to accelerate

these programs."

The administration officials said the president would propose spending \$4.2 billion over the next five years, a 68 percent increase over the \$2.5 billion

• To dismantle warheads and other dangerous

already budgeted:

. The new money, if authorized, would be used in

• To redirect Russian scientists and scientific institutes into civilian pursuits.

 To oghten controls over nonnuclear weapons and materials like chemical and hiological weapons and missile parts and help the Russians tighten their export

 To assist io the relocation of Russian troops now stationed outside the country.

The president will stress that the requested money would not be available to institutions that affer nuclear assistance to Iran. Last week, the White House announced economic sanctions against three Russian institutions that the administration said were beloing fran and possibly other nations develop nuclear weapons and missiles.

In an interview here, Michael Krepon, president of the Henry L. Stimson Center, a military research organization, and an expert on Russian nuclear weapons, said that the increased spending to be pro-posed by the president would be "a good down payment to solve an important problem."

Asked how much it would cost to solve the problem

once and for all, Mr. Krepon replied, "There isn't a soul whn knows the answer.

The request for additional financial assistance to Russia was described by the official as the centerpiece of the speech's section on foreign and military

It was reported that Mr. Clinton would talk about efforts to contain a threat from Iraq and also to achieve

peace in the Middle East, Northern Ireland and the

In addition, he will press for a five-year increase in the Defense Department budget, with an emphasis on improving the ability of troops to respond quickly to emergencies, and he will urge the Senate to approve the Comprehensive Test Ban Treaty.

As long as it does not join the 151 nadons that have signed the treaty, the president feels, the United States will lack the moral authority to persuade India and

Pakistan to stop testing nuclear weapons.

Other passages will involve U.S. policy in Asia and Africa, and there will be a sizable section on trade and international economics.

The president will urge Congress to reinstate his authority to negoriate trade agreements under a pro-cess that would allow the legislature in approve nr reject the proposed pacts, but not to amend them.
In 1991, after the disintegration of the Soviet Union,

Congress approved money to Russia and other former Soviet states to help them dismantle nuclear arsenals and to create safe storage for weapons-grade nuclear

This is called the Nunn-Lugar program after its chief sponsors, former Senator Sam Nunn, Democrat nf Georgia, whn headed the Armed Services Committee, and Senator Richard Lugar, Republican of Indiana, a former chairman of the Foreign Relations Committee and now the committee's second-ranking

#### POLITICAL NOTES

#### Willey Friend Pleads House volunteer who alleges that Mr. Chinton made an inwanted sexual ad-Not Guilty to Lying

ALEXANDRIA. Virginia — A friend whose testimmy cast doubt on Kathleen Willey's allegation of an unwanted sexual advance by President Bill
Clinton pleaded oot guilty Tuesday to
charges she lied under oath. Her lawyer
vowed to seek dismissal of the case
hrought by Kenneth Starr.

Accused of three counts of obstruction of justice and one of making a false statement. Julie Hiatt Steele said "I plead absolutely not guilty"; during an appearance before Judge Claude Hilton in U.S. district court. Trial was sched-

uled March 30. Her lawyer, Nancy Luque, said she would file many pretrial motions challenging the indictment, which accuses Ms. Steele of filing a false affidavit in the Paula Jones sexual barassment law-suit against Mr. Clinton.

Ms. Luque said the indictment was incorrectly filed in Virginia because Mr.

Starr wanted to avoid dealing with the federal courts in the District of-Columbia. He suffered a setback there... in a case he filed against another defendant in his investigation, Webster Hubbell. A federal judge threw out a tax case against Mr. Hubbell, a decision that Mr. Starr is appealing.
Ms. Luque also said that Mr. Starr

had a conflict of interest stemming from the Jones case and promised to challenge the indictment on that ground.

Ms. Steele filed an affidavit in the Jones case casting doubt on the credibility of Mrs. Willey, a former White

vance loward her next to the Oval Office in 1993. Mr. Clinton denies Mrs. Willey's accusacion, which became a focus of the Jones lawsuit.

#### Time to Raise Funds

WASHINGTON — The compressed calendar of presidential primaries has set off a competitive frenzy among Republican and Democratic contenders who believe that they must begin — almost immediately — to raise money or they may find it impossible to catch up.

In many ways, this year is more crucial than 2000 in determining who the two parties will nominate. That is because the survival of candidates, until next winter when issues and personal appeal may be noticed, depends on one practical fact: whn has enough money.

Candidates whn do oot start collecting the \$20 million to \$25 million that a primary will require — that amounts to \$55,000 to \$70,000 a day, seven days a week hy the end of the year - may find it difficult to wage a campaign. (NYT)

#### Quote/Unquote

Governor George Bush of Texas on the reaction of his wife and twin daughters to the possibility that he will run for the Republican presidencial nomination: "If I choose to seek the presidency, they'll be for me. If I choose not to seek the presidency, they'll understand why. I think they're going to love me either way."

(AP)



BURYING THE HATCHET - President Jamil Mahuad of Ecuador, left, and President Alberto Fujimori of Peru embracing at the new border over which the two countries went to war in 1995.

### Florida Wins Case **Over Electric Chair**

WASHINGTON — The Supreme Court rejected a challenge Tuesday to Florida's use of the electric chair as its only means of executions.

The justices, without comment, rejected an appeal in which a death-row inmate, Eduardo Lopez, convicted of murdering a child, challenged death in the electric chair as "cruel and unusual punishment," forbidden by the U.S. Constitution

Of the 38 states with capital punishment, unly four, including Florida, require execution by electrocution. The others are Alabama, Georgia and Two other states, Tennessee and Kentucky, re-

cently provided for lethal injection as an alternative Across the nation, states use electrocution, lethal

injection, hanging, firing squad and the gas chamber to execute those convicted of the most serious Florida officials imposed a one-year moratorium on executinos after a fire started during the execution of Pedro Medina in 1967. Flames and smoke rose from his head when the electric current

An autopsy report said Mr. Medina had died instantly and suffered no pain from the fire, which was auribated to sponges in the chair's head-

The Florida Supreme Court ruled by a 4-3 vote during the one-year moratorium that continued use of the electric chair would not violate the ban on cruel and unusual punishment.

#### **Away From Politics** · A jury has awarded more than \$12.6 million to Leslie

Crane, 55, a former chemistry professor who had filed a sex discrimination lawsuit after being denied tenure at Trinity College in Hartford, Connecticut.

· An operation in which doctors burn away heart tissue to try to eliminate heart rhythm disturbances almost always succeeds and has low risks, researchers reported in the biggest study ever on the procedure. The findings were published in Circulation, an American Heart Association jnumal. (AP)

United Parcel Service of America has agreed in pay \$12.1 million in settle a federal lawsuit by black workers who claimed the company shut them out of choice assignments, promodons and training.

The American Civil Liberties Union of Pennsylvania vn wed to file a federal lawsuit to block an ordinance allowing the police to remove vagrants from city sidewalks.

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THE WORLD'S DAILY NEWSPAPER

# China's Curbs on Liberal Intellectuals Leave Room to Wriggle

By Erik Eckholm
New York Times Service

BEIJING - As they very publicly send the most outspoken democracy campaigners to prison, China's leaders have also quietly tightened the screws on liberal intellectuals, journalists and

In the last few weeks the Communist Party's powerful Department of Propaganda has closed an influential book publisher in Beijing and an adventurous newspaper in the southern city of

Guangzhou. It has sent stern warnings to some magazines and newspapers that strayed too far from the prescribed line, forced some editors and writers out of their jobs and halted distribution of several books that delve into political alternatives or embarrassing episodes in the

GENEVA - Officials from the United States, China and North and

South Korea began a fresh round of

talks Tuesday aimed at normalizing relations between Seoul and Pyongyang.

The talks, which have been taking

place on and off in Geneva for more than

a year, have as their eventual goal a permanent peace between North and

South Korea. But participants played down any chance of a hreakthrough in

"After listening to the keynote ad-dresses, my feeling is that there are still

significant differences of views among

the delegations," said Kim Gye Gwan,

head of the North Korean delegation. "I

have the feeling we will have to work

very hard to narrow down the differ-

that North Korea - which has recently

stepped up propaganda anacks on Washington, Seoul and Tokyo — is

acting at chairman of this round could

at replacing the fraying truce that halted the 1950-53 Korean War with a per-

manent accord to normalize North-South relations.

Qian Yong Nian, head of the Chinese delegation, said: "It's a very compli-

problem that has been left over by history. So we can't hope to get it settled in

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make progress difficult.

the next few days.

Diplomats have suggested the fact

this round.

As Korean Talks Begin,

Aides Voice Pessimism

history of Communist rule. The cam-paign reflects the leadership's concern for stability as it confronts rising unemployment and protests by workers

Officials may also be worried about dissent related to the 10th anniversary this June of the violent smashing of opposition demonstrations in Tiananmen Square and the 50th anniversary on Oct. 1 of the founding of the People's Republic of China.

In the last year, liberals who want more open discussion of political alternatives have been testing the limits of public discourse. But in recent interviews, many scholars, magazine editors and journalists said they now sensed a shrinking of the boundaries.

At the same time, some writings and meetings that are relatively free by China's standards continue, and none of

U.S. and North Korean officials held talks in Geneva over the weekend about a site in North Korea that Washington

fears could be part of a new nuclear weapons effort by Pyongyang. Those talks are due to resume this weekend.

Pyongyang kept up its hroadsides against the West on Tuesday with an

attack on the recent visit hy the U.S.

defense secretary. William Cohen, to South Korea and Japan. A Korean Cen-

tral News Agency report monitored in Tokyo denounced Mr. Cohen for his

discussions with the military and polit-

crackdown or a major shift in policy.

Since many books, magazines and newspapers touch on sensitive tonics these days, the repressive measures to date seem almost arbitrary. They have not been mentioned in the press here. But word spreads quickly and the au-thorities may hope that by setting examples they will induce others to ex-

ercise new caution. "I don't think there will be a general crackdown on liberal intellectuals," said one such scholar, Lin Junning, a political theorist with the Chinese Academy of Social Sciences and editor of a journal on political thought. "But they may tighten up on publications, making it more difficult for people to get their ideas out."

Some intellectuals interviewed said

those interviewed said they believed that in today's China, with hurgeoning around the country have explored similar China was in the throes of an all-out outlets for publishing, so many intellar topics and exposed local corruption lectuals chafing to explore new ideas and so many eager readers, the government probably lacked the ability to suppress debate altogether.

Even before the recent setbacks, writers could not directly discuss mulriparty politics or the possibility of end-ing the Communist Party's monopoly on power. Still, the last year has been a relatively loose period, with more books frankly discussing issues like corruption, crime, the effects of different economic strategies and - in a guarded, theoretical way — the nature of democracy.

Such books, in turn, have served as the

basis for seminars at universities and bookstores. Only a small number of those books that the government sees as most bjectionable have been directly curbed. Many newspapers and magazines

or policy failures.

The publications campaign is directed by the party's Department of Pro-paganda, under the leadership of Ding Guangen, a onetime hridge partner of the late leader Deng Xiaoping and aman who has become President Jiang Zemin's chief ideological enforcer.

Perhaps the most far-reaching act was the suspension in early January of opcrations of one of China's boldest and most influential book publishers pending "rectification" of the staff. I'wo top editors at the company, China Today Publishers, have been ordered to write self-criticisms — a time-honored Communist technique for forcing way-ward individuals to acknowledge ideological errors — according to people familiar with the simution. They spoke

on condition of anonymity.

China Today Publishers, based in Beijing and operating under the authority of an information unit of the Communist Party, issued several of last year's most widely discussed books including "China's Pitfall," a withering analysis of corruption in the dismantling of state enterprises: "Crossed Swords," a strong attack on the remaining opponents of the country's move toward a market economy and looser social control, and "Political China," a collection of essays on polinical change by scholars and former officials.

In the case of "Political China." which quickly sold out its first printing of 30,000 last fall, authorities forbade a second printing. But other books from the publisher have not been similarly

Several books recently issued by other publishers, including volumes of political essays or memoirs of ideological bardes, have been restricted. usually by barring new printings and distribution or, in some cases, book re-

So far at least, the suppression of

liberal writing is not universal.

Mr. Liu, the political theorist, edits a journal of political thought called Res Publica. The newest issue of the journal, which has a circulation of 10,000, contains essays exploring the difference between direct and indirect democracy. Mr. Liu said he had not heard any official complaints

A number of other small journals and magazines explore once-heretical political and economic ideas, including one that bas just appeared in Guangdong Province called Reading Tour.

Its maiden issue includes articles with such titles as "Preedom of Thought and Democratic Politics" and "The Loneliness of the Dissident': plus an essay by Isaiah Berlin, the late anti-Communist

Echegaray said he could no longer think

"Up to the last moment I will shout to

the world that I did not rape that child.

begun a high-profile campaign against crime, hailed the decision and urged the

lower court to set an execution date

Mr. Estrada has said be will not par-

don Mr. Ecbegaray and has turned down appeals from the Vatican, the European

Union and Canada to abolish capital

bishop of Manila, Cardinal Jaime Sin,

the most influential Philippine church-

man, who has led a campaign against the

than 800 condemned inmates in the

cution. At least 13 others could be ex-

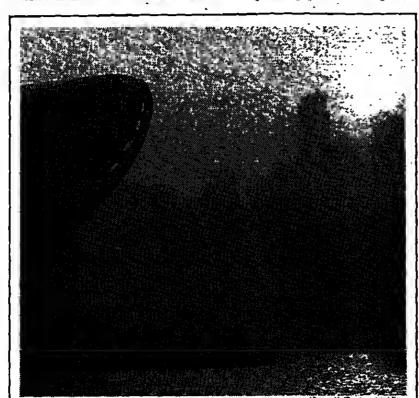
Philippines to be scheduled for exe-

Mr. Echegaray was the first of more

The decision was a blow for the arch-

President Joseph Estrada, who has

ie, Zenaida, quoico di



UNWANTED BLANKET - Smog covering Hong Kong and its harbor Tuesday as pollution reached potentially dangerous levels, with residents advised to reduce exertion and outdoor activities.

■ Japan Offers to Improve Ties The Japanese prime minister, Keizo

ical leaders of the two nations.

Obuchi, offered Tuesday to thaw icy relations with North Korea if it shows a constructive attitude" over its missile development and a suspected nuclear program, Agence France-Presse reportd from Tokyo.

In a speech to open the lower house of Parliament, Mr. Obuchi said Japan would work with South Korea and the United States in dealing with threats from North Korea.

Citing concerns over Pyongyang's suspected nuclear and missile programs. Mr. Obuchi said: "If North Korea shows a constructive attitude to these issues our country is ready to improve relations through dialogue and interchanges."

cated maner. We're trying to solve a It was the clearest sign yet of an easing of tensions since Aug. 31, when North Korea launched a rocket unan-

nounced, part of which overflew Japan. The Japanese foreign minister, Masahiko Komura, echoed his prime minister's call, saying in a speech in Parliament: "It is important for North Korea to take action so that it will clear concern over the recent missile and nuclear issues.

The chief cabinet secretary, Hiromu Nonaka, also told a news conference

that Japan was ready to work to establish relations with North Korea and was pursuing this informally through third countries such as the United

He said that Japan aimed to "sound out" North Korea's intentions regarding its concerns, which include Pyongyang's ballistic missile development, but gave no details.

The Associated Press

first execution in the Philippines in 23

years, the Supreme Court on Tuesday

lifted an order delaying the death of a

Leo Echegaray, a housepainter con-victed of repeatedly raping his 10-year-

old stepdaughter, was about to be ex-

ecuted Jan. 4 when the court ordered a

six-month delay to allow Congress time

to review a law that restored capital

early Tuesday, the House of Repre-sentatives decided against reviewing the

law. The death penalty in the Philip-pines is carried out by lethal injection.

A group of human-rights lawyers rep-

resenting Mr. Echegaray, the Free Legal

Assistance Group, said they were plan-

ning to file a motion with the Supreme,

Court for reconsideration if Mr.

Eleven of the 15 justices voted to lift

After learning of the decision, Mr.

the restraint order on the execution,

saying it was clear Congress would not

After a 10-hour session that ended

lower court to set a date.

punishment in 1994.

Echegaray agreed.

Philippine High Court Clears

Obstacle to Rapist's Execution

MANILA - Paving the way for the of any way to stop his execution. His

immediately.

death penalty.

ecuted this year.

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convicted child rapist and instructed a They'll kill an innocent man."

festival of Lumban in Laguna

trical wire had landed on the boat, electrocuting some passengers and causing several others to jump overboard and drown. He said police were investigating reports that several other people were still miss-

#### Sri Lanka Leader Agrees to Elections

war. Chandrika President Bandaranaike Kumaratunga said last August that 30,000 troops would be needed to secure the elections and that they could not be spared from the country's hattle with separatist Tamil rebels in the

Critics said at the time that Mrs. Kumaratunga, who had extended emergency rule to the five in most of the country's

provinces, simply wanted to avoid elections because she was unsure of her popularity. No date was set for the elections, which are to be held

The Supreme Court's earlier decision to delay Mr. Echegaray's execution set off an uproar among Filipinos exas-

#### ber on suspicion that he had crossed the border at the truce village of Panmunjom at night about a dozen times in 1997 to socialize with North Korean guards. Sergeant Kim admitted to investigators that he had received cigarettes, drinks and other gifts from North Korean

Dehalf om Bet

175

4

plaincides

border village in early 1998. Build investigators found no evidence to link him to that case, the ministry

BRIEFLY

Indian Troops Kill

4 in Kashmir Clash

SRINAGAR, India — Indian troops clashed Tuesday with Pakistani soldiers who had tried to

seize a military post on n glacier in

The clash took place after nearly 20 Pakistani soldiers advanced to-

ward Indian-held territory on the

Siachen glacier, the Press Trust of

India news agency said, quoting an

The Indian soldiers opened fire

and later saw the Pakistanis retreat-

ing and carrying the bodies of four

soldiers, the report said. There was

no immediate comment by the

SEOUL - A South Korean sol-

dier will be court-martialed on charges of making illegal contacts with North Koreans, the Defense

Ministry said Tuesday.

Staff Sergeant Kim Young
Hoon, 29, was detained in Decem-

officers apparently assigned to lure

South Korean soldiers over to the

If found guilty, Sergeant Kim could be sentenced to a long prison

term under the country's national

security law. The soldier also had

been suspected of being involved in

the death of his superior inside the

North's side, the ministry said.

**Korean Contacts** 

Lead to a Trial

Indian military statement.

Pakistan government.

disputed Kashmir, killing four of Pakistani soldiers, a news agency

#### 13 Filipinos Die As Power Line Falls

MANILA - A wooden pagoda on a boat in a water parade snapped an electrical wire that fell on passengers Tuesday, killing at least 13 people by electrocution or drowning and injuring 10 others.

The victims were participating in an advance celebration of the town feeting.

Province, a police investigator, Leopoldo Cacalda, said. Mr. Cacalda said the cut elec-

COLOMBO - The government said Tuesday it was safe to hold elections in the five provinces where votes were postponed last year because of Sri Lanka's civil

north and east.

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Leo Echegaray, convicted of raping his stepdaughter,

praying beside his wife, Zenaida, during their wedding last month inside the Philippines' National Penit-

entiary. He now faces execution by lethal injection.

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JAPAN: A Pep Talk by Obuchi

burdened with bad loans and concerns about employment rising, the domestic economy is in an extremely severe

MADRIO PRESTIGE BARCELONA THE BEST EXCLUSIVE ESCORT SERVICE CREDIT CARDS. Tot. +34-813.863.588 Mr. Ohnchi's speech came less than a week after he reshuffled his cabinet to inaugurate a conservative coalition between his Liberal

Democratic Party and the opposition Liberal Party. During the regular session of the legislature, which lasts through mid-June, the two

parties hope to pass bills seen as vital to the country's economic recovery. Despite the coalition, bowever, Mr. Obuchi's gov-

ernment still lacks a majority in the upper house of Parliament and will need help from other parties to pass legislation. There was no sign an easy time getting it.

optimism," according to Ky-

Mr. Ohuchi's call for op- chi said.

Continued from Page 1 timism was not bolstered by a monthly report Tuesday from added in his speech to the the Economic Planning legislature that with capital Agency, which said that de-markets slumping, banks spite mild improvements, the spite mild improvements, the economy remained stuck in its prolonged slump.

While consumers were spending a little more and bankruptcies had slowed, more people were out of work and companies were investing less, the agency said in its December report, calling the problems of the economy very severe.'

Also on Tuesday, a private credit research company said that the recession caused corporate bankruptcies to soar 17.1 percent to 19,171 cases in 1998, the second highest level since World War II. Deht left behind by collapsed compa-nies rose 2.6 percent to 14,38 trillion yen (\$126 billion), the highest since the war, said The Teikoku Dambank Ltd.

The country's inability to shake off its recession has Tuesday that they would have been blamed as a major drag on economies around the re-The chairman of Japan's gion. Since Japan accounts Communist Party, Tetsuzo for two thirds of Asia's economic Fuwa, said Mr. Obuchi's omy, the country has a respeech was full of "haseless sponsibility to actively consponsibility to actively contribute to the stability of other Asian economies, Mr. Obu-

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Properties of the

quickly explain how a new, less vain-plorious France would wind up leading a united Europe-to-be as its most willful and ambitious component. Alain Duhamel, one of France's most knowledgeable political commentators, manages both the dare and the saving clarification in his new book about his country's role in the future of Europe,

and thereby escapes from pariah status. It is a clever construct he offers up in Une Ambition Francaise (Plon), a book whose central interest is the insight it provides on at least one variety of French reasoning on retaining French influence in a Europe moving toward integration and diminished national

The book comes at an uncertain time. After the launch of the euro, the European Union is puzzling about its next steps: institutional reform, enlargement, real foreign policy coordination, creating a defense force that can carry out missions without American participa-

To the extent that creating the curo meant a surrender of power only for the Germany of the Bundesbank — and a net gain for the EU partners achieving parity with it in monetary policy-making - other European nations have on bad to deal yet with giving up big slabs of symbolic national power.

Now, that time is approaching. Britain has been famously recalcitrant; less obsessively. Denmark has been too. With its agricultural subsidies and power-sharing providing a permanent hand on Germany's hip. France had regarded Eorope as a basically good deal and one not incompatible with French needs for self-affirmation and attempts at world resonance.

Bor these days, Mr. Duhamel argues, France has become a melancholy place, worried by the specters of decline and diminished identity. With every small step toward more basic European integration come remarks like one this week from Prime Minister Lionel Jospin that it will be made "without loss of our national identity."

This is not courageous stuff in Mr. Dubamel's view. In order for it to rediscover a role and a "horizon worthy of its necessary dreams," France must throw itself into Europe with a degree of intensity it could not demonstrate before. The fact remains in France, be said in a conversation, that the politicians attacking transfer of sovereignly to Europe are much more self-assured than those few who actively put their careers on the line for it.

Because it has a political culture of willfulness, because it bas always held a key role in the European Union, because

Time is short. Mr. Schroeder wants to

reach agreement on EU financial and

structural reforms at a special EU summit on March 24 and 25. Getting major EU reforms behind him would allow

Mr. Schroeder to prepare for other business at the regolar EU summit on June 3

and 4 and the G-7 summit from June 18

to 20. Both will take place in Cologne.

Mr. Schroeder concedes that the chal-

leoges are "very ambinous" but insists

that they are achievable. "It is an art to

keep so many issues simmering without

letting more than one boil over," said a

Even Mr. Schroeder's supporters concede the tasks are tough. "I am sure

that be will show that be is committed to

the EU and its progress, and that will

give him a basis to succeed, but it will be

a difficult political undertaking," said

Karl-Heinz Klaer, a political strategist in Bonn and EU specialist in Mr. Schroeder's Social Democratic Party.

Mr. Schroeder must rely on what some observers deem a relatively in-

experienced team. His Social Democrats

bave been out of power for 16 years, and

his alliance partners, the eovironmental Greens, barely existed 16 years ago.

"The new government might not be able to cope with the role thrust upon them," Mr. Sachs said.

Merely by being elected, Mr. Schroeder inherited most of his dizzy-ing accords. But he also has added to it.

want scorecards to keep track of positions: Besides the existing raft of is-

sues, Mr. Schroeder wants agreements

ou tax harmonization within the EU, a

vaguely defined European employment

pact and a hard-fought reduction in Germany's payments to the EU budget.

Nowbere is the new German tone

German official.

France irritates but never frightens, Mr. Duhamel argues that it has more "assets" for European leadership than its partners. But it must consent to change.

'Shared sovereignty is a promise of shared power," he said. "Barricaded sovereignty is the certainty of decline."
For Mr. Duhamel, this shared sov-

ereignty would mean giving up ele-ments of what be calls the most inherent powers of the nation state. Such a move could win over its partners to accept the depth of French conviction.

In the same way, he has suggested outside the book that French reintegration of a more completely European-ized NATO would serve as a gauge of French consideration for the concerns of

the rest of Europe.

Mr. Duhamel defines the spirit of the
Europe that France chuld lead as that of a collective great power that would be the friend and ally of the United States - hut also its "rival." And it is here Germany will continue to operate under that the book has come in for criticism as its historical hurdens and because an interesting formulation but not one an interesting formulation but not one

based on a realistic assessment of the attitudes of the rest of Europe.

Alain Peyrefine, information minister under Charles de Gaulle and a reference point in French discussions about national independence, said the problem with Mr. Duhamel's thesis was that it proposed sacrifices for France without providing any evidence that they be received with understanding

elsewhere in Europe. Mr. Peyrefine said he had serious doubts. He wrote, "European Europe, Europe as a power, a de-Americanized Europe, yes: but de Gaulle knew well that this was not easy to achieve. We're far from it. Our parmers are not on the same national or Euro-national wavelength that we are. They accommodate themselves perfectly to American domination. We're the only ones it pains. Rhetorically, you can reconcile national greatness and European greatness. But s a good risk that it will remain a Franco-French discussion for a long

#### BRIEFLY

#### Sick Yeltsin Delays A Visit to France

MOSCOW - Because of his hleeding ulcer, Boris Yeltsin post-poned Tuesday a trip to France next week and the Russian president's doctors said they hoped to decide Wednesday whether he will have to

undergo surgery.

Regardless of whether he has an operation, Mr. Yeltsin's already limited schedule will be scaled back even further on doctors orders. He may be hospitalized for up to three weeks and should not travel abroad for as long as three months, his doctors said.

Mr. Yeltsin, 67, who has been in the bospital since Sunday, planned to travel to France on Jan. 28, fi would have been his first trip abroad since he cut short a visit to Central Asia in October, also because of illness.

#### German Express Jumps the Tracks

HANNOVER, Germany — One of Germany's premier high-speed trains derailed minutes after it left the Hannover station Tuesday. The police said no one had been in-

The InterCity Express train. bound for Berlin, was traveling at 40 kilometers (25 miles) an hour, a fraction of its top speed, at 1 P.M. when two cars jumped the rails, a German railway spokeswoman said.

The cars remained upright. The cause of the derailment was oot immediately clear.

#### New Greek Scandal

ATHENS — Greece's embanled former first lady. Dimitra Liani, hit back at critics Tuesday, saying that tax fraud charges against her were really aimed at her late husband, Andreas Papandreou.

In a statement published in the Greek press, she said she was determined to fight the charges, which accused her of lying about the price paid for a villa that the former prime minister bought for

"I am not the target, Andreas Papandreou is," she said of the charges filed Monday by the Albens public prosecutor. "Some want to doubt the clarity of bis historical cootribution." (Renters)

# By Coincidence, Bonn Leads Europe

### And by Design, Schroeder Tackles Vast Economic and Security Issues

By John Schmid International Herald Tribun

BONN - From Washington to Warsaw, the world is about to meet the

Thanks to a rare convergence of dip-lomatic fate, the three-month-old gov-emment of Chancellor Gerhard Schroeder is launching what amounts to a six-month road show, taking on a bulging dossier of global economic and security issues and an unusually con-spicuous international role.

Along the way, Bonn already bas struck an unfamiliar and more assertive tone. After decades of dealing with wowerful but predictable Germans, some European diplomats say they are struggling to come to terms with Bonn's generational and ideological shift.

Since the beginning of this month, Bono has simultaneously held the rotating six-month presideocy of the 15nation European Union, the year-long presidency of the Group of Seven wealthy industrial economies and the year-long presidency of the Western European Union, a 10-nation charter meant to forge an elusive common European defense and security identity.

We will see bow competent the new

government reafly is on foreign policy," said a diplomat based in Ger-

The first three months of Mr. Schroeder's chancellorship have been anything but easy, overshadowed by ideological feuds within the coalition, a backlash from industry and a surprise economic slowdown. To the rest of the world, the next six months could be at

least as nerve-wracking.

Major decisions are pending in both
the EU and G-7, few of them routine and many inhereotly divisive. Several will directly influence the future of Eastern

and Western Europe. They range from politically explosive overhanls of the EU's budget and its large farm subsidies to what Mr. Schroeder calls a restruc-turing of the world's "financial architecture" meant to tame destructive

global markets. Mr. Schroeder, who began his job with little foreign policy experience. also confronts a series of security issues for the first time. Bonn has been wrestling with its stance on nuclear doctrine and preconditions for peacekeeping missions ahead of the

**NEWS** 

50th anniversary summit of NATO in April in ANALYSIS Washington, where the alliance aims to redefine its role in a changing world for the next century. Ironically, a government elected al-

most entirely on domestic issues will find itself measured with a baptism of fire of its diplomatic skills. 'Even a seasoned government would have difficulties with this agenda." said

Steffen Sachs, deputy director of the Berlin-based Aspen Institute, a think tank on Atlantic relations. Mr. Schroeder's government was only 66 days on Jan. 1 when it took center place on the world stage.

Ordinarily, the historic inauguration

of the euro, the EU's common currency, itself would have been enough to occupy any EU presidency.

But equally pressing is the issue of ing agenda. But he also has added to it Europe's post-communist order. Failure abundantly and raised expectations for to push through sweeping reforms to the himself. At this point, observers might isn inrough sv

EU's convoluted \$100 billion annual. budget risks a delay in a proposed EU enlargement to accept new members in Central and Eastern Europe. Withoot reforms, the EU budget would collapse if the comparatively poor nations in the East, which have boge farming populations, made claims on EU farm and regional aid systems.

more evident than in Mr. Schroeder's repeated calls to reduce Germany's contribution to the EU bodget. At 22 hillion Deutsche marks (\$13 billion), it is about four times more than anyone else pays. Few expect Mr. Schroeder to win more than a symbolic cut of one or two

billioo marks. But by German standards, his tone recalls Margaret Thatcher's angry demand for a \$3 billion EU budget rebate in 1984. NATO's staff in Brussels also chafes at the new-found confidence. Goaded

by the anti-nuclear Greens, Bonn has irked the U.S. and other NATO partners by suggesting that NATO renounce first use of ouclear weapons.

Even after the U.S. last year soundly rejected any changes to such a central pillar of deterrence, the German delegation continues to push for changes in the phrasing of NATO's nuclear doc-

the dependence on nuclear weapons with the long-term goal of worldwide disarmament By contrast, the United States and Britain want to preserve the nuclear docuine as it was revised in 1991, when the weapons were relegated to a threat

of last resort. Germany's approach to G-7 issues also flies in the face of U.S. positions. The G-7 gives Finance Minister Oskar Lafontaine a world stage to push his ideas for exchange-rate controls to limit fluctuations among the dollar, euro and yeu. Although Mr. Lafontaine has won converts in France and Japan, the U.S. remains staunchly opposed to the idea.

If Mr. Schroeder succeeds in his vast

EU agenda, he will establish himself in the top leagues of European power brokers. But other EU officials still struggle to see where he will find compromises, raising the prospect that Bonn will only achieve symbolic victories.

To succeed in the EU, Mr. Schroeder risks straining ties with the French and his own powerful German farming lobbies. The Freoch see EU agriculture funds, which eat op almost half of the EU budget, as both a cultural heritage and a vital pacifier of French social peace. To the French, "anyone who attacks the agriculture budget attacks the Freoch government," a diplomat said.

Attempts to reduce "snuctural funds" — aid to poorer EU regions will spark confrontations with Spain.

Despite Mr. Schroeder's guarantees

foreign policy "continuity," Germany's partners wonder how the New Germany will evolve. To the United States, which often counted on Germans in the past to nudge other Europeans toward common positions; that role is oo longer so clear, observers say.

"This government comes from the sixty-eight generation and they are used to questioning authority," an observer said. "You have a crowd that reacts



police at Petrosani, 300 kilometers from Bucharest, on Tuesday as 10,000 miners continued marching to the capital to protest government plans to restructure unprofitable industries such as mining.

### **BOOKS**

WIDE OPEN By Nicola Barker, Ecco.

\$23.95. 290 pages. Reviewed by Rachel Harrigan

TN one of the few lucid com-I ments made by any of the oddball characters in Nicola Barker's new novel, "Wide Open," one named Sara says: Sometimes I feel like my whole life has been a loog, loog wait for something horrible that never actually happened. Like I've been in water, up to my neck, fighting to stay affoat, year after year. But if ooly I'd felt for the bottom I'd have found it. It was there. The ocean bed, just

was there. She and the rest of Barker's strange folk spend the novel oervously reaching out with their toes for that solid ocean

below where I was treading. It

trine, insisting on a further reduction of English beach town of Shep-pey. Her daughter, Lily,

Alboro
3 THE CENTURY, by Poler lengths and Tools Browster

rented one of the "prefabs" on the beach, made his fortune in ''dot-to-dot pornography,''
which he describes as ''a photograph, only partially revealed, with the rest of the page numbered and dotted so that you can take a pen and fill in the pornographic segment

yourself." Luke's neighbor Ronny sprays pesticides for a living but also ooce killed a girl. His estranged brother, Nathan, works in the London Underground's Lost Property department. Connie, an optician, seeks out Ronny because she has some of his letters. And Jim speods his time standing on an overpass in London waving to traffic.

Any one of Barker's characters would be sufficient fodder for a quirky short story. Sometimes it seems that that's what we bave here: a novel Sara, the most stable of the full of short-story protagolot, raises boar in the cheerless nists who keep running into each other in tiny Sheppey, to both the reader's and the charwhose argans never "finished acter's discomfort. All of forming." worships an imag-inary demno sprung from the fensive, shells on and walls

actual miscegenation of a pig up, all of them except Jim. murder a girl). Poor "maland a boar, Luke, who just When Ronny first meets leable" Ronny has taken on him, Jim 'seemed wide, wide more than just Jim's name open," whereas Ronny and hairlessness — he has prided himself on being shut also taken on his sins.

right up. When the friendGentle Nathan, terrified less Jim inexplicably takes to that he shares the same mur-Ronny, the two begin an loo- derous sexual urges as his esco-esque friendship in father and brother, finds his

each other's characteristics.

Now bere's where it gets more closely resemble the painting is about 'Ronny...
alopecia-afflicted Jim (the It's about forgiveness...and bimself up for Ronny. (If plete and this sounds confusing here, it is in the book, too. From now Alas, t on, though, Ronny is Jim and

Jim is Ronny. Got it?)
Although "Wide Open" is crowded with hizarre hut entertaining plot twists — Lily's battle with her demon, the search for a ruoaway boar, and Sara and Luke's ahhreviated affair, to name just a painting of his ideal Christ.

Things go downhill for Is that wrong of me?'
Ronny and Jim's friendship when Ronny finds some letters that hint at Jim's sinister and editor, wrote this for The past (he helped his father Washington Past.

which they gradually assume Jesus in an art book left with Lost Property. The painting featured in it, Antonello da complicated: Jim had Messina's "Pieta," is a picalready changed his name to ture of what appears to be a Ronny and demands that sexually spent Jesus with an Roooy change his to Jim. angel who looks suspi-Ronny (the former Jim) ciously like Connie bovcring shaves off his body hair to over bim. Connie thinks the former Ronny) while Jim it's about sex." With this (Ronny, remember?) starts explanation, Natban finds a picking up some of Ronny's savior who can understand (Jim's) peculiar habits: using and dispense with his fears: only his right hand and "This worldly Jesus would barely eating, for example.
"Jim was willing, if Ronny
wanted," writes Barker, "to in this dark saviour, Nathan give himself over. To give told himself, lay a final com-bimself up for Ronny. (If plete and absolute under-

Alas, that understanding does not extend to the reader. This is a deeply perplexing novel which constantly hims at greater meanings and profound symbols but doesn't always deliver. It's a book in which nothing is ever completely explained. So, while the novel is worth reading for few — the main impetus of Sheppey's bleak ambience the novel is the salvation of and the many choice phrases Jim and his brother, Nathan. (Lily's demon "inked up her Raised by a violent pedo- mind like an octopus"), the phile, each puts to rest the reader shares Luke's feelings horrors of his childhood by when, explaining his disenoffering up his grief to his chantment with the subterown personal, and peculiar, fuge of dot-to-dot pomo-Jesus: Jim offers bis to Ronny graphy, he says, "I want and Nathan offers his to a everything clear and clean and open. Not just bits and pieces.

Rachel Hartigan, a writer

#### ARMS: Deal Forms British Military Giant

Continued from Page 1

nies while regrouping them before opening the industry to pan-European

British executives had complained that Germany, too, seemed bent on protecting its companies from market

forces by restrictive shareholdings.
As a result, the two British companies had separately been on the prowl in Europe, each picking up smaller manufacturers in recent years.

In particular, the record of Mr. Evans in restructuring British Aerospace leot credibility to his ambitioos to put his enmpany in a position to compete with the leading American military contrac-

Outside experts said his decisioo to take an all-British initial step — in preference to a cross-border merger — could pay off qoickly in terms of competinve performance. Rohin Laird, a U.S. based defense

ennsultant, said if Mr. Evans "can quickly integrate the two corporate cul-tures, Brinsh Aerospace could even get an edge over the American behemoths that have still not managed to turn themelves into agile defense performers."

Last year two of those U.S. giants —

Lockheed Martin Corp. and particularly

Boeing Co. — posted disappointing results, partly because they had trouble digesting acquisitions that had seemed to guarantee continued U.S. dominance. The emergence of a tougher British

competitur will "move around the menial fumiture in U.S. management," Mr. Laird said.

The strengthened British Aerospace could be a serious rival in some weaponry and in some markets where the American companies have enjoyed a near-monopoly - for example, in Asia, when the region recovers economically. It could even compete in the U.S. market, where it already is a partner of Lockheed Martin's in development of the Joint Strike Fighter.

In Europe, the move by British Acrospace raised a host of questions about further corporate alignments.

It had been widely believed that the British government would block a domestic consolidation and that GEC would resist a deal with British Aerospace. Until recently, GEC was thought to be pursuing its own acquisition, per-haps buying Thomson-CSF, its main

European rival.
We have won first-mover advantage," said George Simpsou, chief executive of GEC.

As far British Aerospace, in addition to its U.S. olliance with Lockheed Mar-

tin, it is already linked with Saab AB of Sweden in the European market.

In the near future, European restructuring may take second place to profit for British Aerospace, experts said. Several predicted that the company, would back out of cumbersome joint ventures, notably a planned frigate to be built with France and Italy, Instead, they said, it will concentrate on some pending British military contracts, including deals for two large vessels, essentially container ships, that Britain plans to use as aircraft carriers.

"I'm at a loss to explain why the British government seems ready to put itself at the mercy of what amounts to a sole-supplier," said Francois Heisbourg, a French military expert with government and industrial experience. Like other French and German officials who declined to be quoted by name, he expressed concern about the likely effect of the British action on European

defense integration. The immediate loser seemed to be DaimlerChrysler. Bolstered by its recent purchase of Chrysler Corp., the German company finds itself without a natural partner for its military operations, because either the leading French or British military contractors alone would overwhelm it. Last month, amid hiots that British Aerospace was leaning toward GEC, German officials reportedly had secret meetings with French leaders to mount joint opposition to the British deal, but they apparently found no formula for helping the company find partnerships offering it the right international scale.

DaimlerChrysler already has an agreement to build the Eurofighter jointly with British Aerospace, and the British partner will now dominate that venture.

Experts also said further delays could now be expected in the ownership quarrels that have delayed efforts to find a purely commercial footing for Airbus industrie, the airliner manufacturer jointly owned by British Aerospace DaimlerChrysler, Aerospatiale SA of France and Construcciones Aeronauticas SA of Spain.

In France, a major new aerospace company has been taking shape around Matra Hautes Technologies, chosen by the French government to run a new company comprising parts of a largely privatized Aerospatiale and the fighter aircraft business of Dassault Aviation. That company may prove to be a partner for DaimlerChrysler, but experts said Tuesday that future moves would probably be unclear until other Europeans had had time to assess British intentions.

### **BEST SELLERS**

THE PROFESSOR AND	The New York Tames		
THE MADMAN, by	This list is based on reports from more		
Simon Wunchester 5 1b	than 2,000 backstores throughout the		
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by Sherry Sontag and	necessarily consecutive.		
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WOODS, by Bill Bryson 9 30	Weets Wil on List		
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WITH GOD: Book 3. by	Wrife L 9		
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Neale Donald Walsch 106	3 THE SIMPLE TRUTH, by		
THE AMERICAN	David Baktacci & 7		
CENTURY, by Harold	A WHEN THE WIND		
Evans with Gail Buckland	BLOWS, by James Panerson 6 10		
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BROADCAST, by Joe	6 MEMORS OF A CEISHA		
Garner 6 5	by Arthur Golden 12 60		
THE DEATH OF	7 HARRY POTTER AND		
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AND MISCELLANEOUS	IS THE VAMPIRE ARMAND.		
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THE WORLD'S DAILS NEWSPAPER

### **The Core Question**

It is no accident that the just com-pleted arguments of the House prosecutors and the coming arguments of President Bill Clinton's lawyers whose oral presentations were begining this Tuesday - are a kind of mirror image of one another. The House managers spent two days detailing the facts of Mr. Clinton's misbehavior and only then spent the third day of their opening presentation trying to justify why those facts amount to "high crimes and misdemeanors. By contrast, the president's briefs begin by stressing that the conduct, even if true, does not meet the constitutional standard for removal from office, and only go on to deoy the allegations.

Although its presentations on the subject of standards were made ally enough, this matter remains the overwhelming weak point in the House's case against the president.

This is not because the president is correct in his contention that impeacbment should be reserved only for offenses against the state or the system of government. In fact, perjuty and obstruction of justice, as has been often pointed out, can easily and tegitimately be framed as assaults on the judicial system that terribly undermine the integrity of that branch of government, particularly when committed by the nation's chief law enforcement officer. The reality is that whether Mr. Clinion's conduct is impeachable is, at least as a matter of constitutional law, a very close call on which reasonable minds can differ. What makes the House's position untenable is the notion, embedded in the managers' entire presentation, that Mr. Clinton must be removed simply because be could be.

In a case in which the constitutional question is as close a call as it is in Mr. Clinton's, this is a fundamental error. The House, even after determining that the president's conduct could trigger impeachment, was under no ohligacion to determine that it should. And the Senate, even if members determine that his conduct could support a conviction and removal, is under no obligation to convict and remove him. The reason Mr. Clinton should remain in office is not that his offenses are beneath the scope of the impeachment clause hut because, even if be has committed offenses that meet the constitutional threshold, removing him is a poor exercise of the discretion embedded in the impeachment power.

This is an argument that Mr. Clinton's attorneys will probably not emphasize, as to do so would concede more than they can afford on the constitutional point that has always been at

the center of their defense. The result is that even as the House has finished arguing the overstated no-tion that Mr. Cliston must be removed because his offenses are potendally impeachable, the White House will begin stressing — assuming that its arguments track those in its previous briefs - the president's often embarrassing factual defenses along with the strained idea that removing him for serious felonies would clearly violate the U.S. Constitution.

When, if ever, will the focus of the debate shift to the rather simple ques-tion that is at the core of the trial: wbether the removal of Mr. Clinton on these facts would be wise or make practical sense?

- THE WASHINGTON POST.

### Olympic Taint

A nasty scandal bas tainted the Olympic Winter Games awarded to Salt Lake City in 2002. The Olympics are supposed to represent what is purest in individual athletic striving. Past failures to meet the full terms of this ideal have not made it any the less worthy as an Olympic goal. But the Salt Lake case has an unhappy distinction of its own. Charges are ricocheting that the city bought the Games by bribing or otherwise sub-orning some members of the governing International Olympic Committee with college scholarships, jobs for kin or other favors.

It is now being soberly explained that other countries with different hahits of business and persoasioo created a context in which Salt Lake City. a site universally declared to be fit on its own terms (without bribes) for the Olympic honor, had to meet the realworld competition. Thus is the familiar and lame argument of "culture" trotted out to disguise what is otherwise nothing more than plain corruption. One of the year 2002's losers, the Swedish town of Ostersund, also evidently fully qualified on the merits, played it straight and lost and with reason now feels cheated of a prize.

Not all the facts are in. What is known so far has been enough to set the U.S. Olympic Committee to hire former Senator George Mitchell to look into bribery and corruption allegations, also now being investigated by the Justice Department and the FBI.

It is foolish to imagine that an Olympics enterprise that commands hillions in television and marketing fees and offers immense financial and career payoffs to individual athleses can be run on a shoestring and insulated from all considerations of profit and avarice. This is not the first time a cloud of dollars has descended upon the Winter or Summer Games, If the Olympic movement is to maintain any claim for respect for its great compentive traditions, however, it must find ways to make the Games transparent enough to deserve public confidence. Otherwise the Olympics are just one more Saturday afternoon tele-

-THE WASHINGTON POST.

#### **Eizenstat Does Well**

Over the next few weeks, lawyers for Swiss private banks and Jewish Holocaust survivors and victims' families will probably sign a legal agreement committing the banks to pay a settlement of \$1.25 billion, with an additional \$200 million in humanitarian payments to indigent Holocaust survivors. The settlement will provide some justice to survivors and close a long argument over the complicity of Swiss banks, which helped finance the Nazi war effort and, when it was over, refused to return deposits by Holocaust victims to their families. It could not have happened without the efforts of Stuart Eizenstat, a long-serving U.S. government official who has brought a rare degree of energy and attention to these difficult matters.

With the support of President Bill Clinton and Secretary of State Madeleine Albright, Mr. Eizenstat has spent the last few years unearthing unpleasant but important truths about the Nazis' financial dealings with the rest of the world, including the handling of looted gold. First as undersecretary of commerce and more recently as undersecretary of state, Mr. Eizenstat directed a full exploration of Holocaust claims and has managed virtually every aspect of a web of complex issues, from arranging diplomatic conferences on lonted art to supervising settlement negotiations on should be grateful for his work. Swiss bank dealings.

v.

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In 1997, his office cut through a fog of Swiss disinformation and denial to publish a report showing that the Swiss government knew that the Nazi gold in its possession had been looted, and had deliberately kept it after the war even as victims' families tried to get it back. A year later, drawing on previously classified U.S. archives, another report traced how other neutral nations profited by selling strategic metals and other war products to the Third Reich. often working through Switzerland's central bank.

The reports did not ignore episodes that reflect poorly on the United States. After the war, America made only perfunctory efforts to recover the German gold held by nentral nations. Washngton was more interested in building good relations with European nations as a Cold War hulwark.

With the banking issue essentially settled, Mr. Eizenstat's office is beginning work on the problems of unpaid insurance policies, loosed art and real estate, and slave and forced labor. Resolving them will belp needy and aged survivors and right several longstanding wrongs.

. It is not often that U.S. officials make an effort to explore the dark corners of history and help the victims of old injustices. Mr. Eizenstat has done both, and the United States

- THE NEW YORK TIMES.

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WASHINGTON — No one quite knows how Sani Abacha died last June, but the story that has made the rounds goes like this: Several Nigerian officers who finally got fed up with his utterly venal and corrupt rule got together, imported three prostitutes from India, sent them to his villa with a poison that he somehow ingested tone report

says it may have been in his Vingra).

The prostitutes were back on a plane to

India before his body was cold.

A senior U.S. official privy to the intelligence told me: "Let's just say Abacha did not die a natural death and be did not die alone."

When an absolute dictator becomes around him will eventually dare to eliminate him when the pressure gets intense enough. General Abacha so ran down Nigeria's infrastructure that the world's lith-largest oil producer had to import energy.

Getting rid of an evil leader really

Now Keep On Rattling the Iraqi Dictator's Cage By Thomas L. Friedman

> can make a difference. With General Abacha gone, the other generals are now bolding elections to move to ci-vilian rule, and the process so far has been relatively honest.

Saddam Hussein is more clever at keeping opponents at hay. But it is not unreasonable to think that whoever replaced bim would be a vast improvement. The good news is that the Clinton administration says it has decided to focus its energy now on producing the ouster of Saddam, rather than just containing him. Almost the entire target so evil, there is hope that other generals list from the U.S. attack nn Iraq three weeks ago was aimed at the generals and Republican Guards who up to oow have protected Saddam.

The message on the U.S. smart bombs, which apparently killed hundreds of Saddam's palace guards, was: "Warning: Hanging Around With Your Health."

Other good news: This tactic has rattled Saddam. He went off his rocker when be described fellow Arab leaders as "dwarfs" and called for their overthrow. As an Iraq specialist, Amatzia Baram, pointed out in a paper for the Washington Institute, the air strikes, hy prompting Saddam to attack his Arab brethren, have isolated him more than

ever from other Arab regimes. The U.S. attack and the way Saddam just curled up and took the blows have clearly upset his core supporters in the Republican Guards, and this explains wby Saddam oow is trying to prove that he is still defending the nation, by attempting every day to shoot down a U.S. fighter jet - an idiotic strategy because it gives the United States the excuse to blow apart another piece of his air defense system every day.

With Saddam rattled, now is the time to really rattle his cage. Turn up the

Saddam Hussein Can Be Hazardous to volume on Radio Free Iraq to extra loud and call for his ousier 24 hours a day Take steps to have him declared a war criminal by the United Nations. Blow

up a different power station in Iraq every week, so no one knows when the lights will go off or who is in charge. Offer a reward for removing Saddam from office. Use every provocation by him to blow up another Iraqi general's home. Tell Russia and France that if

marticular fright

they are so eager to sell out American policy on Iraq, they should send a Russian or French jet to Baghdad and take Saddam and his top henchmen out of the country to Algerta, Moscow, Tonga or wherever they want.

The latest U.S. air strikes broke the

spell of invincibility around Saddam. They proved, as Mr. Baram put it, that Saddam's "system of control and mtimidation is less impregnable than previously feared - certainly strong, yet capable of being shartered.

The New York Times

### With Smart Outside Help, the Opposition Could Have a Chance

WASHINGTON — The UN weapons inspection rious nuisance to Saddam Hussein. Now it in effect no longer exists, there are only two other options. One is to try to contain that received the bulk of U.S. Saddam through sancoons and aid from 1992 to 1996. sporadic bombing raids while waiting for him to fall. The other is to help the opposition fer the rebels air support, Sad-

bring him down. Saddam's enemies are disor- the group is financially ganized. Sunnis and Shiites, as strapped and bas no paramilwell as Kurds, Turkomans, monarchists, democrats, former military officers, Marxists be, the Iraqi opposition posand pro-Iranian Islamic fundamentalists, bave groups and First and foremost, ethnicity subgroups representing their interests. Much of the opposition is in exile in Europe, Iran

and the United States. The only group that can

By Reuel Marc Gerecht team in Iraq was at best a se- plausibly claim to represent bribing and murdering Sunni most factions is the Iraqi National Congress, an umbrella organization based in London

In 1996, after it became clear that Washington would not ofdam crushed the congress's op-There is no denying that erations in northern Iraq. Now itary forces inside Iraq. Still, dilapidated as it may

> sesses several trump cards. and religion are on its side. Saddam is completely dependeot oo Sunni Arabs, only

Kurds and Arab Shiites, who are the vast majority of the population. Even among Sunni Arabs, he bas been savage, killing when he smells dissent. For 40 years the United States has followed British habits in Iraq, seeing Sunnis as the proper rulers. Since the Gulf

War, the CIA and the Pentagon have felt that only a Sunni milimry coup could eliminate Saddam. But his tyranny has done much to replace age-old religious and ethnic animosines. And throughout the eight-year Iran-Iraq war in the 1980s, the Iraqi Shiites never berrayed their Sunni countrymen.

The Iraqi National Congress 20 percent of Iraq's population. could help bridge the religious to playing favorites. By not He has ruled through dividing, divide. Its leader, Ahmed clearly designating the national

brought many Sunnis under the congress's banner.

It might also bring Kurds back into the fold. Some Kurds have cut deals with the Iraqi government to survive, but their loathing of Saddam is undiminished. If the Kurds were to see that Washington was finally serious about hetping, they and the congress could start to harass him again in oorthern Iraq.

But the key to cracking Saddam's strength will be the national congress's appeal to Shiites, who may well constitute half of Iraq's army.

To help bring all the factions together, the Clinton administration should spend the \$97 million it pledged in October, Then it must drop its objections

Chalabi, is a Shiite who has congress as the leader of the front against Saddam, Washingion will sow dissension among the factions and betray American resolve.

Most important would be a White House statement guaranteeing air support, meaning attacks against any concentrations of Saddam's military that threaten opposition forces.

And fraq's oil must be turned off. Current UN guidelines allow Iraq to export nearly as much oil as it did before the invasion of Kuwait.

The writer, a Mideust specialist for the CIA from 1985 to 1994, is unther, under the pseudown Edward Shirley, of Know Thine Enemy, about revolutionary Iran. He contribmed this vormient to The New L

### For the IMF and Others, Lessons From the Asian Crisis

By Jack Boorman

WASHINGTON — The fi-nancial crisis in East Asia that started just over 18 months ago spread quickly, plunging many of the region's economies into recession. It also spilled over into other vulnerable countries, notably Russia and Brazil, putting a brake on world economic growth.

Backed by international assistance, some of the troubled East Asian economies oow have recovery in sight Reoewed market confidence has strengthened weakened currencies, interest rates have fallen - in South Korea and Thailand to below pre-crisis levels and recessions appear to be bottoming out.

From the outset, the crisis has been fraught with controrole of the IMF. Now, with signs that the worst may be over, it is time to examine the lessons.

The IMF is making its contribution to this debate in a report entitled "IMF-Supported. Programs in Indonesia, Thailand and Korea: A Preliminary Assessment." Released this Tuesday, it looks at how the crisis developed, the policy responses in Thailand.

and the early results of programs supported by the IMF with the cooperation of the World Bank, the Asian Development Bank and hilateral creditors.

The report is intended to increase public understanding of the IMF's role in the crisis, and widen discussion of two other important issues: how to prevent future crises and handle those that may erupt.

The problems confronting the Asian crisis countries had many novel aspects. Of critical importance was weakness in the financial and corporate sectors that made them particularly vulnerable to sudden shifts in versy, in particular about the These fragilities, which had grown even as large amounts of foreign capital flowed in, were caused by weak financial supervision and other structural problems, and poor risk man-

agement hy creditors. The crisis quickly turned into vicious circle. Capital outflows pushed the value of currencies downward, creating risks of insolvency for companies that were indebted in foreign currencies and adding

In a global financial market linked by almost instantaneous communications, money moves with a speed that leaves policymakers little room for hesitation.

The unusual nature of the problems called for broad-ranging remedies. IMF-supported programs attacked the underlying structural problems that caused the crisis. They attempted to break the victous circle of capital outflows and currency depreciation, while dealing promptly with its immediate financial and social fallout.

Without a heavy emphasis on structural reforms, the programs would have been a costly international financial flows. effort to treat symptoms with-

out addressing causes. Another key focus was creating or strengthening social safety nets to help the people most painfully affected by the crisis. In this area especially, the IMF worked closely with the World Bank and the Asian

Development Bank. The immediate instability left little choice but to take tough monetary action to overcome the risk that rapidly weakening currencies would nigger Indonesia, and South Korea, momentum to capital outflows. a cycle of depreciation and in-

flation. At the same time, policies had to avoid excessive tightening, because this, too, could uodermine recovery.

Currencies continued to fall

initially, but exchange rates

strengthened again as monetary policy was tightened and market confidence recovered. Interest rates then eased. Budget policy sparked a con-troversy far beyond the eco-

nomic impact of modest initial tightening. When the programs were laonched, some tightening was

warranted, not least to meet part of the heavy costs of financial sector restructuring. This was based on the prevailing view at the time that these economies in growth, but not a deep recession. This tightening was reversed when the recessions turned out to be deeper than expected and it became clear that expansive budget policies

were needed. Still, in discussing the report, some of the IMF's executive directors expressed the view that a stronger fiscal stimulus should have been delivered more promptly as the true extent of the economic slowdown

became apparent. The initial programs assurned that policies would bring a reasonably quick return of investor confidence. But, for a number of reasons, including political developments and problems in the way the substance of the programs was communicated to the markets and the public, events nimed out otherwise. Capital continued to exit even after the programs were introduced. This withdrawal of foreign financing forced the economies into massive adjustments at the

The behavior of capital flows external creditors could pull

price of severe recessions.

their money out at short notice was one of the main reasons why the crisis began and connaued to spread. It also meant that, once the crisis started, the success of any policy response would hinge on how the markets reacted.

Could the crisis have been made less severe if the countries had imposed an involuntary debt restructuring on their creditors, accompanied by capital controls? This is attractive, but only superficially. A heavyhanded attempt to bail in private creditors in one country can add momentum to capital llight

These are examples of issues that are being examined carewould experience a slowdown fully in connection with the current discussion on reforming the international financial system. The experience in Asia means that we have to look closely at possible ways of involving private creditors in

resolving financial crises. Another critical question is whether capital controls or prudential measures can limit short-term and potentially volatile capital inflows before a crisis crupts, reducing vulnerability to a shift in market sentiment. More generally, what is. the right way for a country t

open up to foreign capital? The crisis also points to the need for creditors to have better information so that they can do a better job of managing risk. This concern is reflected in current international efforts to improve economic data, make budgets and monetary policy more transparent, and build on internationally agreed stan-dards in accounting, disclosure, bankruptcy codes and other areas critical to the functioning of private markets.

The writer, director of the uted this comment to the futernotional Herald Tribanc.

#### side-the-chamber chanter for points to some of the lessons IMF's Policy Development and the benefit of television, radio that need to be drawn from the Review Department, contribby addressing the issue of crisis. The fact that so many

1899: Temperance Bill NEW YORK - New Yorkers are greatly coocerned over the

announcement that Senator Raines, the author of the law which closes the public-houses on Sundays, is to introduce a bill absolutely prohibiting the sale of liquors with meals at clobs, restaurants, and hotels. Even temperance people regard these repressive measures with some degree of disfavor. Bishop Potter, addressing a meeting of the Church Temperance Society, declared that the recreative instinct of human beings made public-houses a social necessity to the poorer classes, and, until some adequate substitute was provided, it was useless to anathematize them.

1924: Ban Polygamy

CONSTANTINOPLE - Four hundred Turkish women have appointed a committee of their

sex, assisted by masculine attomeys, to draw up amendments to the Family Rights Bill, abolishing polygamy and changing. divorce laws. The women, all of the educated class, held a meeting protesting against the tradition of polygamy, although it was said to be less practised because of economic conditions.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO #

#### 1949: Suffrage Pioneer

LONDON - Mrs. Flora Drummond, seventy-three pioneer suffragette who led a parade for women's rights through London mounted on a white horse. died on Monday [Jan. 17]. Mrs. Drummond nicknamed the "General." was imprisoned nine times and went on hunger strike five times. Once she bired a Thames River steamer to har angue members of Parliament sitting on the Parliament terrace and, at Trafalgar Square rally in 1908, urged the crowd to besiege the House of Commons.

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A Speech to Keep Clinton Going

WASHINGTON — A high White House official described the State of the Union address as "a sub-stance shock for the country." His point was that after months in which coverage of the president bad been dominated by scandal, it would come as a surprise this Tuesday night to hear a solid hour or more about Social Security. education, bealth and child

care and job training. That was wby the president resisted postponing his speech while the Senate deliberates on whether to throw him out of office. It was oot just that this is always bis favorite speech - it is so chock-full of policy. Nor was it just that this address bas always made his poll ratings go up. In the curspeech would seem to put Mr. Clinton on the majority side of

a large divide in the country. The White House saw it this "They," meaning mostly the Republicans and the media, want to talk about the impeachment trial. "We." meaning the president, his party and the apparent majority, want to talk about matters that, as the Clintonites like to

say, "affect people's lives."
The speech was likely to underscore the utter strangeness of the Senate debate. The Senate tries to pretend that it is a body of neutral "jurors." That is an absurd meta-

phor, as Senator Tom Harkin.

By E. J. Dionne Jr.

out. Almost every senator would be disqualified from a walking a careful line oo Soreal jury for bias, one way or the other. And any judge would toss them right out of the courtroom for all their out-

and the newspapers.
While the "jury" deliberates, most members of Congress, oo matters ranging from tobacco taxes to Social Secarity, act as if Mr. Clinton will be the president they will be dealing with once the Sen-

ate unpleasantness is over. All the players are preparing for the post-impeachment world. While the public focus has been on the trial, the underlying political situation has changed substantially.

A year ago, the conventional buzz saw the idea of creating individual accounts carved out of Social Security as oo the ascendancy. Privatization plans proliferated. Supporters of Social Security as it currently exists voiced dark fears that the Clinton administration would cave in to

the privatizers. The privatizers overplayed their hand, unleashing a wave after-school programs, job of organizing hy their oppo-nents. The Clinton administration's interest in privatizaoon, to the extent that it ex-isted, waned. Now White in rebuilding his presidency oon, to the extent that it ex-House officials predict that Democrat of Iowa, pointed any Social Security reform

that the president gets behind will be designed to save the system as it is. The administration is still

cial Security. As one official says, Mr. Clinton wants to "keep the Democrats on board" by committing to the existing system but also "ax-rend a hand to Republicans" private savings. One of the challenges of the State of the Union speech was how to bal-ance these objectives to keep the possibility of Social Security reform alive after the Senate finishes the trial.

Or take the "bill of rights" that would give patients more opportunities to challenge treatment decisions by managed care plans. The proposal failed in the last Congress, but it was a useful issue for many Democrats in the congressional elections. Bruce Reed, the White House domestic policy director, notes that the bill lost so narrowly in the House that the addition of five new Democrats in November gives the proposal at least a the-

oretical majority now.

The political winds also seem to be blowing in favor of more federal action on training and education. Mr. Clinton is counting on those winds to be at his back, both in

after it is over The Washington Post

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### OPINION/LETTERS

## Bipartisanship at Trial? Closer to a Rightist Coup

By Anthony Lewis

BOSTON — Were the Honse Republican prosecutors talking about the president or about a Mafia don? Their language was sometimes so extreme - 'conpiracy,""infamy"—that it was hard to tell. The very shriliness of the attack signaled the dual nature of this impeachment trial. It has the trappings of a trial: a great and

solemn one, as the commentators keep saying. But it is also the culmination of years of political effort by a passionate minority to destroy this president.

It began five years ago, when a far-right magazine, The American Spectator, printed an article by David Brock about the Arkansas troopers who guarded Bill Clinton when he was governor. The article quoted a trooper as saying a wom-an named Paula was willing to be the governor's "regular girl-friend." Mr. Brock has since said he regrets throwing in that name.

Six weeks later Paula Jones came forward and demanded that Mr. Clinton apologize for the slur on her reputation. Where did she do ibai? At a

Washington conference of the Conservative Political Action Committee, Her lawsuit, when it followed, was supported — in-deed, made possible — by hun-dreds of thousands of dollars from conservative sources.

Later in the same year as the Brock article, 1994, Congress renewed the Independent Counsel Act. The act sets up a special court to appoint the counsels. The practice had been to pick a judge-of

setuority to head the panel.
But Chief Justice William Rehnquist chose a junior member of the U.S. Court of Appeals for the District of Columbia, David Sentelle, a deeply conservative Epublican and a friend of the two lar-right Republican senators from his state, North Carolina: Jesse Helms and Lauch Fair-

A moderate Republican, Robert Fiske, had beeo investigating Mr. Clinton's role io the Whitewater land deal. Bot after Judge Seotelle had lunch with Senators Helms and Faircloth, the judicial panel replaced Mr. Fiske with Kenneth Starr.

Having found nothing to use against the president in more than three years of investigation, Mr. Starr a year ago threw his immense resources into the Monica Lewinsky matter. No detached, professional prosecutor would have undertakeo such a case. Robert Morgenthau of New York. perhaps the most respected pros-ecutor in the United States, said last week that Mr. Starr had vi-

olated "every rule in the book."

Mr. Starr acted as an agent of the House of Representatives: a profoundly and-constitutional politicization of the law. One of the most strident conservatives in the House, Tom DeLay of Texas, the Republican whip, led the cry for impeachment.

Many of the key players in this history come from the oew conservative Republican heartland, the South and Southwest: Mr. Helms, Mr. Faircloth, Judge Sen-telle, Mr. Starr, Mr. DeLay and now Trent Lott, the Senate majority leader. Mr. Lott's talk of bipartisanship is just that, talk — occasioned by his concern that 13 Republican senators are up for reelection oext year in states that President Clintoo carried in 1996.

He is doing all be can to convict. Of course, not all the Repub-licans involved in the campaign against the president, or sitting in judgment now, are on the far right. Political interests push others to join. Exactly that happened with Senator Joseph McCarthy in the 1950s; many Republicans sought political advantage in his dem-

agognery.
But the essence here is an attempted coup by ultraconservatives. I do not doubt their sincerity. That is what makes it terrifying. When Tom DeLay says this is "about relativism versus absolute truth," he speaks the language of totalitarianism.

I think America is better than the scene being played out in the hothonse of Washington. Americans are more diverse, less strident, more understanding about human nature.

In his closing speech for the House prosecutors, Henry Hyde said he hoped that "a hundred years from today, people will look back at what we have done and say, 'They kept the faith.'' I think it will take much less

than a hundred years for historians to see this for what it is: a vengeful attempt to twist the constitution into a partisan tool.

The New York Times.



#### LETTERS TO THE EDITOR

#### Genocide in Full Color

Regarding "Dictators Are Watching the Kimser Rouge Case" (Opinion, Jan 14):
Anna Husarska's comments about the implications of the Khmer Rouge case are profoundly disturbing to me, even more so than the Holocaust in Europe 60

years ago. . Why? Because, horrifying as it was, the Holocaust was hefore my time. But over the last few decades I have witnessed in the news ooe genocide after another -Bosnia, Cambodia, Uganda, Rwanda, just to name a few. The ghastly extent of the death camps in Europe was not fully knowo until after World War II ended,

The disquieting difference is that all of us have been fully aware of the events in Cambodia and elsewhere because we have watched them (comfortably in our living rooms, in peacetime, in full

color, night after night).
As for Bosnia, only a dead man coold be unaware of the mass murders in Srebrenica and Vukovar, of the civilians casually picked off like fish in a barrel by snipers in the hills outside Sa-rajevo, and of other atrochties by

Through all this, despite an extremely well-informed public,

there has been no mass indignation, no widespread moral outrage. And without grassroots revulsion, what can we expect from our elected leaders, to say oothing of concerned international pressure, whether ju-dicial, financial or diplomatic, to hold genecidal criminals account-

able for their actions? FRANCES SIRANOVIC. Bangkok.

#### Note These Stereotypes

The arrival of the euro will not only create problems for inter-national financiers but also fur cartoonists. While it was relatively easy to depict the Freoch (beret and baguette), the British (bowler and umbrella), the Germans (lederhosen and beer mug) and the Dutch (wooden shoes), how are they going to represent the cit-izens of "Euroland"?

JOHN SOMERHAUSEN. Brussels.

#### Gloom or Brighter Days?

An increasing oumber of news articles are dealing with the empirical evidence of climate change: extreme weather, rising ocean temperatures, melting polar caps and so forth. Opinioo pieces by scientists are using a language of extreme argency.

On the other hand, the business pages continue to abound with auto industry executives speaking excitedly in the future growth markets of China and India.

Leaders of industry and finance seem to believe that growth based on fossil fuel can proceed end-lessly without regard to the most basic ecological facts that can be easily ascertained by reading a newspaper's news and editorial

ALEXANDER ZAITCHIK.

#### A Recipe for Survival Regarding "It's Getting Late to Switch to a Vioble World Econ-omy" (Opinion, Jan. 19) by Lester

Brown and Christopher Florin: The writers express concern for the rise in consumption of world resources, but there is one step we

Stop eating meat and fish.
The impact oo the environment of this unnecessary step in the food chain is significant.

can all take to slow this result:

As the creative Hong Kong vegetarian restaurants show, any Chinese dish can be made with meat substitutes and without relying oo mile-long large-haul

BILL ELDRIDGE. Hong Kong.

### No Surprise That Clinton Is Confused About Sex

By Ellen Goodman

ica Lewinksy and someooe finally

got fired on account of sex.
No. oot Henry Hyde, the corpulent adulterer lecturing us about broken oaths. Not Bob Barr, the twice-divorced champion of the Defense of Marriage Act. Not

even Bill Clinton. Not yet. The man handed his walking papers was George Lundberg, a

#### MEANWHILE

doctor and editor of the Journal of the American Medical Associ-atioo. Dr. Lundberg was cunned after 17 years for printing a survey in the journal this week showing that 60 perceot of college studeots think oral sex is not sex.

The association summarily ditched the editor who brought the journal from the medical backwaters to the too-cuniog edge for "inappropriately and inexcusably interjecting JAMA into a major political debate that has nothing to

do with science or medicine." With a nose for news and an outsized ego, Dr. Lundberg helped put public health issues from domestic violence to to-

bacco on the agenda. As for the notion that the AMA is apolitical, this group traces its roots to the days when doctors played golf Wednesday afternoons and thought Medicare was socialized medicine."

This survey is no pro-Clinton potboiler nor is it junk science. It is a tip sheet of sexual attitudes that was designed for doctors, not for a TV talk show.

Back in 1991 when Bill Clinton was in Arkansas and Monica Lewinsky was still in high school, the study's co-author, Dr. June Reinisch, was worrying about high-risk sex among college uodergraduates. The issue was AIDS and sexually transmitted diseases, not impeachment. But accurate information was hard to assess. If you asked students whether they had had sex, how could you evaluate their answer?

What was their definition of sex? Dr. Reinisch was then directing Kinsey Institute, which shocked my parents' generation in 1948 with data about masturb-ation. This time the researchers asked 599 students to answer spe-cific questions: "Would you say

BOSTON — Here it is, the first you 'had sex' with someone if the anniversary of life with Mon-most intimate behavior you engaged in was ...?" The students were then given a list of options from kissing to intercourse.

Everyone agreed that intercourse counted, but 2 percent also thought that kissing was "having while 18 percent thought that anal intercourse was not. And in the infamous statistic, 60 percent of these overwhelmingly cooservative students did not think oral sex was "doing it."

Somewhere between the first and second Clinton administrations, the researchers broke this news to doctors at various con-ferences. Then last January, as Dr. Reinisch remembers all 100 clearly, "we hear all these pundits, lawyers and senators saving very strongly that all Americans believe that oral sex is sex. We had the data to show that wasn't true.

So they wrote it up, sent their paper for peer review and had it accepted. The rest is history, as is

George Lundberg.
"I was not at all surprised that 60 percent of young people don't count anything but intercourse,"
Dr. Reinisch said. "Haven't you heard of 'technical virginity?'
There's also something called 'technical fidelity.'"
1, too, think this is President

Clinton's story. If he was not, well, satisfied, it did not count. If he did not touch her in return, it did not count. If it was only oral

sex ... you get the idea.
Think Mr. Clinton is confused? Consider an October poll showing that 81 percent of people in post-Monica America do think oral sex

is a "sexual relationship." So what is sex? "There is no right answer," Dr. Reinisch said.

It's what people think it is. Her own definition of an unfaithful husband, however, is closer to my own: "I tell my husband - it is if he has a romantic candlelit dinner."

This reminds me of an event in Hawaii last month at which an older woman with a thick Vienoese accent brought down the house with a complaint that she did not understand all this American talk about sex. lo Europe, she said, this is oot sex; it is foreplay.

Maybe the Republicans are right. Maybe this impeachment is not about sex after all.

TOGETHER, WITH OUR COMMON STRENGTHS, WE'LL BE ABLE TO REACH

THE HIGHEST GOALS. WATCH OUT DAX, HERE COMES

# Degussa-Huls

Specialty chemicals now have a new spelling: Degussa-Hüls AG. The company will have 46,000 employees and will start with sales of more than DM 20 billion. Degussa-Hüls an attractive new international company with high growth potential based on the combined strengths of two established firms. Degussa-Hüls - the latest word for more expertise, more commitment, more innovation.



#### INTERNATIONAL

# More NATO Air Strikes on Serbs? A Daunting Test for Alliance

By Roger Cohen New York Times Service

BERLIN - Even as NATO warned in Kosovo or risk air strikes, the alliance faced enormous obstacles in ever carrying out such a threat.

Senior NATO officials in Brussels conceded that Western policy was in disarray, complicated by the deployment in Kosovo of hundreds of international moni-

ANALYSIS tors who would have to be removed before any bombing got under way.

This potential problem was evident from the moment Richard Holbrooke

negotiated a flimsy, largely oral accord last October that briefly stopped the fighting in Kosovo without setting a basis for a political agreement between the Serbian-dominated Yugoslav government and ethnic

### U.S. to Fund Research Using **Embryo Cells**

WASHINGTON - A federal ban on human embryo research does not apply to studies using the new "master cell" technology that might one day treat heart disease, diabetes and other killers, the head of the National Institutes of Health

announced Tuesday.
Harold Varmus, the director, said his agency would soon finance such re-

At issue are embryonic stem cells, the basic or primordial cells from which all of a body's tissues and organs develop. With private funding, these cells have recently been derived from embryonic tissue and then grown in laboratories.

The hope is that scientists can learn how to use them to treat disease, but researchers have recently warned that without federal financing to do so, the work would take many more years.

Congress has banned federal money for research that involves human embryos. But Mr. Varmus said that a legal evaloation of that ban concluded that these laboratory-grown cells - which could never grow into an entire human being — do not constitute an embryo. Thus, the National Institutes of Health can finance research to use them to try to create new treatments, Mr. Varmus

Mr. Varmus cautioned that the National Institutes of Health would oot immediately start handing out money for the research. Over the next few months, the agency, with guidance froto the Na-tional Bioethics Advisory Commission and Congress, will draw up guidelines that must be strictly followed for scientists to win funding for their research.

"The scientific potential here is tremendous and we would clearly be limited" if the National Institutes of Health could oot participate in such research, Mr. Varmus told the bioethics commis-

The advisory commission is studying tion to no one, including heads of state. the scientific and ethical implications of research involving human embryonic stem cells. Scientists do not yet know how to use

oo to form various tissues and organs in

Albanian insurgents in the province.

The October agreement called for the deployment of 2,000 monitors under the auspices of the Organization for Se-Yogoslavia to cease a ground offensive curity and Cooperation in Europe. In effect, the 700 who have arrived in Kosovo are now potential hostages, much like the United Nations peace-keepers in Bosnia between 1992 and 1995, whose presence long made NATO threats of air strikes look hollow.

"We'd have to get the monitors out before we could do anything," said a NATO official. "For that, we'd have to increase the size of our extraction force in Macedonia."

Faced by these difficulties, NATO appears inclined to look for a face-savcompromise with President Slobodan Milosevic if he is ready to step hack from the brink once again. The Serbian leader, whose 11 years in power have coincided with wave after wave of Balkan violence, would have to take several steps.

NATO officials said Mr. Milosevic would have to rescind the expulsion of William Walker, the American diplomat who heads the so-called Kosovo Verification Mission; order Yugoslav Army troops back to their barracks in compliance with the October accord, and allow international forensic examination of 45 Albanian corpses found last week near the Kosovo village of Racak.

Mr. Milosevie has made a habit over the past decade of employing ruthless violence and then reining in his forces as Western threats escalated. He has thus spared the heartland of Serbia any destruction while states around him were

In this light, it is not unlikely that he will seek to calm the situation once more and that NATO will accept renewed assurances of goodwill.

Bot if Mr. Milosevie is defiant, or if

the United States and its allies chooses not to believe him, the pressure on the West to bring greater coherence to its Kosovo policy will rapidly increase.

There are several problems in secur-

ing such coherence.

The first is the tenuous, and poten-

tially compromising, situation of the monitors that the Clintoo administration likes to call "verifiers." As one NATO official said, "It's

etty clear after the expulsion order to Walker that Milosevic wants the OSCE people there as potential hostages, but not to do their jobs." Mr. Walker was ordered out after us-

ing emotional language about the Racak The second difficulty is that although

Joschka Fischer, the German foreign minister, criticized the expulsion of Mr. Walker, and President Jacques Chirac of



A wounded Serbian policeman rushing Tuesday for help at Racak, the site of a massacre of local Albanians.

policy, European support for the use of NATO force is muted.

Indeed, NATO officials said that several European countries would insist that the alliance agree on a new mandate to

bomb Kosovo France and Germany were unhappy with the mandate the alliance gave itself last October because it was not backed by a clear resolution from the United Nations Security Council.

"That was a one-off mandate; we have to get another one," said one European official.

The American view, however, appears to be that the October mandate is still valid, and could be reactivated as soon as aircraft are once again deployed in Italy and on aircraft carriers.

Alexander Vershbow, the U.S. chief

delegate to NATO, said in a radio interview that NATO was "on the brink" The third problem is that the alliance

of arms and money to the Kosovo Liberation Army, the main force of the Albanians fighting for independence.

years of Yugoslav violence, of convin-cing the Albanian population that their demands could be met by a political settlement rather than through force.

Clearly, any cease-fire or truce would be tenuous if Albanian fighters regarded it as largely meaningless. But because Western powers allowed Mr. Milosevic to go so far in his campaign of violence last summer, it is difficult to convince Albanians of the usefulness of mod-eration, NATO officials said. In the end, NATO's deepest quandary is that whatever course it adopts—

patience, bombing, even the deployment of ground troops — it will not get very far without coovincing ideas for a political settlement.

The most it may achieve is what was secured with such fanfare by the United States last October - a cease-fire inclined at any moment to crumble.

"We desperately need new ideas for a political solution," said one NATO ofhas found no way of stemming the flow ficial. "Otherwise we may be making grand statements about peace in Europe at our 50th anniversary summit in Washington in April while blood flows in Ethnic Albanians account for about Kosovo. But the fact is all momentum



Besa Musliu, 9, an ethnic Albanian, wincing and hiding her face France said the Racak massacre would lead France to reconsider its Kosovo Nor has NATO found any way, after orated."

Tuesday as mortar shells exploded near the Kosovo village of Petrovo. near the Kosovo village of Petrovo.

### BRIEFLY

### Troops Said to Seize Port in Sierra Leone

FREETOWN, Sierra Leone — West African troops fighting rebels in Sierra Leone said Tuesday that they had won control of the port area of this capital city, a development that could make it

easier for ships to deliver food and other help for starving refugees.

As a cease-fire declared by the Revolutionary United Front rebels entered its second day, a United Nations agency sounded a warning about famine in the devastated city, where the population is estimated to have swollen to a million

Food stocks are nearly depleted and fighting is blocking food supplies from the interior of the country, the UN Food and Agriculture Organization headonar. ters said in Rome.

Tens of thousands of displaced res-

idents are squatting in and around Freetown's main soccer stadium in filthy conditions, sparking fears of a cholera

#### Baku Reports Aliyev Improves in Hospital

BAKU, Azerbaijan - President Hev dar Aliyev, who flew to Turkey over the weekend to be treated for bronchitis, is doing well, according to government press reports published here Tuesday. "Pulmonary and cardiological ex-

perts met Jan. 18 to determine the condition of the president's heart and hings, a statement in the Baku Worker official daily said. "The present course of treatment was determined to be correct and will be continued."

The statement said that the 75-yearold president had been diagnosed with inflammation of the upper respiratory

#### **National Party Wins** Again in Grenada

ST. GEORGE'S, Grenada - The governing party on this Caribbean island swept to a decisive victory in general elections, becoming the first party to win two successive terms since the U.S. invasion in 1983, it was reported Tuesday. Prime Minister Keith Mitchell's New

National Party won all 15 seats in the voting Monday, the Caribbean News Agency reported.

Mr. Mitchell scored a comfortable

victory in his St. George constituency, while his major political opponents were Grenada is a former British colony,

with a population of about 97,000 and an ecocomy based on tourism and agri-

#### International Torture Treaties Apply to Pinochet, Lawyers Argue British law because the alleged acts were

LONDON - Lawyers for Spain and Britain seeking to quash the granting of immunity to General Augusto Pinochet of Chile argued Tuesday that international law compels Britain to tional conventions making torture a extradite General Pinochet, just as it crime against humanity provide protec- obligates Spain to prosecute him.

The former Chilean dictator was ar- that the international com-Oct. 16 alleging that he ordered murders, realm of government—people who give kidnapping and torture—incloding the the orders—but include poblic officials

tend that his arrest was illegal under of Lords, Britain's highest court.

carried out when he was Chile's leader.

"We argue that it is inconceivable rested in Loodon oo a Spanish warrant ded to exclode people of the highest these stern cells to create treatments. death of Spaniards—during his 17-year who were accepting those orders," Alun However, these cells naturally would go on to form various fiesters and analysis of the prosecutors of the prosecutors. Jones, the lawyer for the prosecutors, But General Pinochet's lawyers con- told a seven-judge tribunal in the House

This is the second time the court is a military junta. Mr. Jones also said that considering the fate of the 83-year-old new allegations suggest that General mit murder, torture and hostage-taking

Last month, the House of Lords vacated its own 3-2 ruling denying General Pinochet immunity after conceding that one of the judges voting against the state immunity.
general had close ties with Annesty General Pinoc campaigning to put him on trial.

Mr. Jones opened his case Monday by of state immediately after the coup. arguing that General Pinochet was not a head of state in the first months of his olas Browne-Wilkinson said the court rule anyway, since he overthrew the elected leader Salvador Allende in a 1973 coup and initially served as head of

# Pinochet directed his supporters to cora-

in the days before the coup - and therefore before he could make any claims of General Pinochet's lawyers, who will

week, contend be was recognized as head On Tuesday, Chief Lord Justice Nic-

would ask the British Foreign Office to clarify just when Britain considered General Pinochet head of state.

Continued from Page 1

name the House Democrats or say how

The moves appeared aimed at shoring up support for Mr. Clinton among Sen-

many are involved.

ate Democrats.

CLINTON: His Defense Opens in Senate

### Venezuelan Praises Cuban Revolution

CARACAS - Hours after returning from Havana, President-elect Hugo Chavez praised the 1959 Marxist revolution in Cuba, lamenting that in Venezuela, children still 'die of hun-

met with President Fidel Castro and the Colombian president, Andres Pastrana, to discuss Colombian rebel peace talks. 'In that country, they take care of the children in the hospitals, while here they die of hunger in the street," Mr. Chavez said Monday after his return. (AP)

### KING: Jordan Leader Returns, Saying 'There Is a Lot To Be Done'

Continued from Page 1

has been coming to grips with his mortality, adapting to the idea that the rule of its dashing leader would soon give way to the more technocratic ministration of his brother, Crown Prince Hassan ibn Talal, the designated regent and successor to the throne.

After months during which Jordanians monitored his health in minute detail, adjusted to the hair loss that he never tried to conceal from them, and prayed for his recovery. Tuesday was finally the time to set all doubts aside and celebrate with the words many worried they would never hear again: The king is back.

king's plane oeared its arrival.
"All people here love him," said Raith Kordaili, a watchmaker who stood

with friends near Amman's Third Circle to greet the leader. "He is a strong man works and handpainted banners.

and a very good king." The motorcade moved more quickly than expected, perhaps because of the weather and concerns over the king's strength, but it also slowed at spots to let the crowd gather in waves around their monarch.

The confluence of events could hardly be more powerful - returning royalty, the annual Eid al Fitr celebration that ends the month-long Muslim fast of Ramadan and three days' worth of rain, a constant, soaking drizzle welcomed by this drought-ridden country as "tears of joy" for their king.

Local television shifted to all-king coverage. Newspapers were graced with full-page color pictures of King Hussein 'Hussein is a friend. Hussein is a in crisp military garb. Other leaders jetbrother. Hussein is Jordan," the announcer for Jordanian television said as the groups, businesses and families erected colorful tents along a planned proces-sion route and toted in coffee urns and pillows and chairs so they could party in comfort. There were dancers and fire-

had studied at the elbow of her father,

Professor Julius Fischof, a pioneer in

handwriting analysis who settled in

Budapest after World War I and won a

reputation as Eastern Europe's foremost

and obtained a special degree qualifying

her to teach document examination at the

University of Budapest law school, Tak-

tation as a meticulous professional as

well as his positions as official hand-

ing over her father's work after his death

Mrs. Sulner also studied criminology

expert on questionable documents.

If other leaders in this region or elsewhere in the world might wonder about the stability of their rule were they to leave town with a life-threatening illness, if they might doobt whether they would even have a job to return to, King Hussein can take comfort in the fact that his homecoming is oot only welcome, but genuinely and spontaneously so. Radwan Abdullah, a political science

professor in Amman, said, "He has a great deal of support because he was able to provide Jordan with a very precious commodity — which is stability." King Hussein returns at no easy time

in the country's history, or for the mon-archy itself. Though there is the perhaps expected gossip about whether he will change his mind about leaving the throne to Crown Prince Hassan in favor of one of his sons - a prospect analysts deem unlikely - there is a broadly held feeling that King Hussein will convene a family counsel soon to discuss how to choose his brother's successor.



Charles Ruff, White House counsel, entering the Senate on Tuesday.

#### At the same time, they will underscore political division over the case, which could help or hinder the White House

case. Most of the votes in the Judiciary Committee and the full House were nearly party-line votes. early party-line votes.

demonstrate Mr. Clinton's guilt "beMr. Ruff's presentation reflected a yound a reasonable doubt." That is a decision by the president's lawyers to argue the facts of the case and not rely too heavily on the argument that even if judicial impeachments.

all the charges against Mr. Clinton are proved — that he perjured himself and obstructed justice in his bid to conceal his relationship with Monica Lewinsky they do not justify removal from White House spokesmen have said that the House prosecutors made errors of fact and repeated errors contained in

the voluminous record submitted to the House by Kenneth Starr, the independ-Mr. Clinton's lawyers will seek to ident of J.P. Morgan & Co., died of heart make the argument that while there are failure Jan. 8 in Cold Spring Harbor, factual disputes, they can be resolved without the principal figures being

Mr. Ruff also attacked the House prosprivately held bank, and remained there ecutors' repeated assertion that their case cannot be fully argued without witnesses. with the Guaranty Trust Co. in 1959, and including Ms. Lewinsky, as well as close Congressional Democrats and the

White House have opposed witnesses. saying that they would needlessly lengthen the trial although the minority leader, Senator Tom Daschle, said Monday that witnesses seemed "inevitable." The Senate will vote oo the question

after opening arguments and written questions from senators. Fifty-one votes will be required to hear witnesses and the Republicans hold a 55-to-45 margin in the Senate. "How should you respond to the man-

agers' belated plea that more is needed to do justice?" Mr. Ruff asked the Sen-

"Yoù should reject it. You have be-

conclusion: There was oo basis for the defense team. Mr. Lockhart declined to over will be any basis for the Senate & "How is it that the managers can be so

certain of the strength of their case" for witnesses? Mr. Ruff asked, his voice full of incredulity. "They didn't hear any of these witnesses." Given the extraordinary stakes of the trial, Mr. Ruff called oo senators to embrace a high standard of proof, saying that the House managers should have to

tougher standard than that of "clear and convincing" evidence that is used in Mr. Clinton's is only the second impeachment trial in U.S. history, after that of Andrew Johnsoo in 1868. President Johnson survived his trial by a single vote. Mr. Johnson, however, did not deliver a State of the Union address

during his trial. Once the White House completes its arguments, possibly in about half the 24 hours it is permitted, senators will vote on two motions: whether to dismiss the case and then whether depositions should be taken from witness

The Repoblicans' majority in the Senate makes it appear likely that the vote to dismiss will fall short of the required 51. Yet, with most of the 45 Democrats expected to support dismissal, the vote will underscore the unlikelihood of the Republicans later mustering the 67 votes that are needed to remove Mr. Clinton from office.

The White House had given thought to postponing the State of the Union message, as some Republicans and a few Democrats suggested, but decided against doing so.

To postpone, Clinton aides feared, might project an image of a weakened or impotent presidency, the future of which was subject to forces beyond its con-

Most Republicans promised to stand and politely appland when Mr. Clinton entered the chamber, in deference to his office, if not to the man. But two conservative Republican representatives, John Shadegg of Arizona and Boh Schaffer of Colorado, announced that they would boycott the session in protest.

### Hanna Sulner, Hungarian Handwriting Analyst, Dies at 81

New York Times Service

NEW YORK - Hanna Sulner, 81, a handwriting expert who reluctantly helped Hungarian Communists frame Cardinal Jozsef Mindszenty on treason charges in 1949, then promptly fied to the West and exposed the sham, died Jan. 5 m New York. Since 1950 she had worked quietly in New York as one a leading aothority on disputed docu-

As an intractable opponent of the in 1944, she quickly inherited his repu-Communist takeover of Hungary in 1948, Cardinal Mindszenty was clearly an enemy of the new one-party police state. But at a time when other high-level foes were simply being shot or jailed without fanfare, the cardinal's position as the primate of a largely Roman Catholic country required special handling.

contract was real or forged, Mrs. Sulner

Fred Hopkins, 51, an important figure of the new jazz in New York during the 1970s and '80s, died Jan. 7 of heart That the political police turned to Mrs. Sulner and her husband, Laszlo, was

writing and documents expert to Hungary's courts, police and military. Fred Hopkins, 51, Jazz Bassist NEW YORK (NYT) - The bassist

anything hut surprising. When it came to disease in Chicago. determining whether a handwritten note, Mr. Hopkins had a thick, dark sound a typed letter or a signature on a will or influenced by Jimmy Garrison and Paul Chambers. He improvised powerfully had few peers. From the age of 16, she and the music he was involved with,

inspired by the energy of free jazz, was compositionally ambitious too. He brought a dramatic urgency to

bands that included the trio Air and ensembles led by David Murray, Henry Threadgill, Muhal Richard Abrams, Arthur Blythe and Oliver Lake, Mr. Hopkins also had a decadelong musical partnership with the cellist Deidre Murray.

Fabrizio De Andre, 58, Singer ROME (NYT) - Fabrizio De Andre, 58, one of Italy's most popular singers and songwriters, died of cancer Jan. 11 in

Known in Italy as the "poet of tou-sic," Mr. De Andre became popular during the mid-1960s when his songs of rebellion and south is songs of rebellion and south is songs. with Italian youth. His popularity rocketed after his songs were adopted as the anthems of the protest movement that swept Italy in 1968.

New York. Mr. Page joined the company as a called as witnesses. trainee in 1937, when it was still a Mr. Ruff also attack

until he retired in 1979. Morgan merged in 1964, Mr. Page was named senior vice aides and friends of the president. president of the new company, Morgan Guaranty Trust. The next year, he was appointed executive vice president in charge of international banking.

Betty Box, 78, Film Producer LONDON (AP) - Betty Evelyn Box, 78, one of the most successful producers of British films in the post-World War II

nization such box-office hits as "Doctor in the House," "Miranda," "Conspir-acy of Hearts," and the Huggett family films. Most of her films were directed by Walter Page, 83, Bank Executive NEW YORK (NYT) — Walter H. Ralph Thomas, with whom she had a Page, 83, a former chairman and pres-partnership for 24 years.

era, died Friday. The cause of death was Ms. Box produced for Rank Orga-

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### STAGE/ENTERTAINMENT

# construction of the second The Passions Of Boris Eifman

A Choreographer's Motion

in St. Petersburg or at lunch in a New York restaurant, Boris Eifman, changed his name, although 52, is all good-humored gal-lantry. It isn't until this Russian choreographer reveals his emotional intensity that hlazes through his ballets.

his father's relatives killed by although you can study and the Germans during World study for it. But just as heroes reographers, at least in the language of animals, so cho-West, had to invent themselves within the closed society of the Soviet era. And rare is the choreographer who has never been a professional dancer. Yet a passion for creating dances has consumed Eifman

Series Reports 16

letter or in Hose

National Park

Program to Great

Latern Revelle

since he was 13, and passionate dancing is synonymous with the Eifman Ballet of St. Petersburg, which opened a movement if it's two-week season Tuesday ment, it's not arr. night at City Center. The repetory will again include "Tchaikovsky" and "Red-Giselle," the highly theatrical psychodramas that became the hot fickets in the company's New York debut last April. There 'are also United

States premieres: "The Karamazovs," set mostly to Rach-maninoff's music, and plot-ess works on a double bill, "Requiem," set to Mozart, and "My Jerusalem," which

includes a rock score. Although no one could be hored by his brilliantly expressive choreography, Eif-man's scenarios struck some last spring as provocative nomically efficient to hoose us rather than persuasive. But he underground. We lived in a pit emphasized in an interview that all his ballets reflect a families. If the government did personal point of view, not build real housing, it was

and Muslims from a hill in Eifman's father was able to said. From 1970 to 1977, he lief about dance:

By Anna Kisselgoff

New York Times Service.

unity." If his ideal vision reconciles these "three paths to God" in "My Jerusalem," it EW YORK — At is not because he wants to supper in his studio proselytize. "It is my way of seeing things," he said. Eifman is Jewish and never

prominent Jewish dancers in the Soviet Union advised that it would be better for his career. life story that one understands His parents did suggest, when how a surface caim harbors the he was 12, that dance was not a profession for a nice Jewish boy. "A doctor or a musician Not every choreographer has been housed in an underground pit during a harsh childhood in Siberia, or had all reography is not a profession, War II. Nor have most cho- in fairy tales understand the reographers have a special lan-

guage to communicate.

The best of today's choreographers are like the early shamans, the choreographers of their time. Shamans could communicate energy to the people. I am interested in an art form of the spirit and of emotion that comes through movement. If it's just move-

Eifman was born on July 22, 1946, in Rubtsovsk, Siberia, where his father, an engineer in Kharkov, Ukraine, had been ordered to move to help the Soviet war effort in the hinterland. "My father had to go," Eifman said. "But this move saved my parents from the Germans in Kiev and Kharkov, where my father's entire family was killed.

The kind of life my par-

ents lived under Stalin was lived by hundreds of thou-sands. My father could not refuse to go to Siberia, where he worked in a factory. We'didn't live in a camp, but it was ecowith six rooms for six to 10



Boris Eifman: "We live in a world of conflicts."

ballet school attached to the

opera house in Kishinyev.
"I was accepted, and my parents said I could go only if I continued in a music school and went to an academic. school at night, At 13, I decided I was going to be a choreographer. It sounds pretentions, but I kept a diary, noting down what I would put into future ballets."

ally all choreographers have been dancers, Eifman had performed only as a student and started choreographing for a group he formed at 15. In 1966, he entered the new choreography department of the

Leaningrad Conservatory.

Even before graduation in.
1972, Eifman had opportunities to choreograph for television, ice shows and even Kirov-ballerinas like Natalia Makarova. "She called me a Jerusalem. "Because people move to Kishinyev, in Soviet was the official choreograph. "What has changed is the.

pany as an adjunct of the Lenngrad Philharmonic, he felt he could use Western rock music (then under attack) and express freely what he calls contemporary male-female relationships.

Anthony Austin, a corre-spondent for The New York Times in Moscow, wrote of Eifman's success, although Austin noted that the authorities had just clamped down on writers in the "Metropol" affair, an attempt to publish an anthology without government censors.

Eifman said that after Austin's article appeared, he was questioned by the KGB. "I wasn't in that dissident milieu," he said. "But they began to say I was not doing Soviet art and that I should emigrate. I did not."

Perestroika opened up touring, and the company ap-"My" is the operative word.
"My Jerusalem" is his resume people were not treated sponse to seeing places of like people, but like cattle."

In 1953, after Stalin died.

Kirov-ballerinas like Natalia peared in the Westforthe first time in 1989. Eifman has been busier than ever, but he has not changed his basic here.

# Tale of a Jazz Survivor

From the Little Apple to the Big Apple and Back

By Mike Zwerin

EATTLE - Bnd Young of Seattle's Bud's Jazz Records forms") says: "Don Lanphere is a sort of candidate for sainthood around here."

Bertrand Tavernier's film

Round Midnight" was about alienated heroes who died young, poor, strung out and unappreciated. Their search for peace in Paris had only temporary success. Meanwhile, there was a parallel migration from town to city by other doomed jazzmen looking to find whatever is to be found in New York. The fate of another group — the survivors — could not be known until later.

Lanphere, who grew up in Wenarchee, Washington — the "Apple Capital of America" — is a survivor. Sonny Rollins, Benny Carter, Lee Konitz, Max Roach, Jim Hall and Roy Haynes are some others that come to mind. Lanphere is perhaps not as well

known. Having turned 70, he is a hig fish in a small but glamorous mar-ket; he might even be called its dean. He recorded with the bebop trumpet legend Fats Navarro and played with several versions of Woody Herman's smile and clear eyes.

"Four Brothers" hands, as well as with
One day in 1969 he was "reasonably such hig-ticket hig bands as Artie Shaw.

He has his place in history.
In the late 1940s, when he first came to who followed in the wake of Lester Young, the "Mozart of jazz." Young eventually turned quite hinter about their success. Poor and sick and a has-heen with a ruined sound, he was living and would die in the run-down Alvin Hotel across Broadway from Birdland. "These guys sound more like me than me." said, after hearing Stan Getz. Most of

them found early ruin themselves. Lanphere is one of the few who remain healthy and prosperous. Along the way he became a born-again Christian.

It takes coaxing to hear his story. In 1961, Lanphere and his wife, Midge (one of his recent recordings is titled "Don Still Loves Midge"), went back to Wenatchee. As he settled in to running his father's music store, his horn gathered

Don Lanphere is praying for his friends.

and there would be a story in the morn-

chedelic-colored minibus was parked in In the late 1940s, when he first came to chedelic-colored minibus was parked in New York, he was a prime student in the school of white tenor saxophone players group wearing overalls was trying out covered it, and they moved to Seattle. group wearing overalls was trying out instruments. (One of them bought a harmonica.) They said they would be at the Bright Moon Tavern that night.

Wenatchee is a small town. There was nothing else in do and no traffic, but somehow Lamphere managed to get there late. The band sang about Jesus, people reported, and they weren't bad at all. They had gone to Denny's to eat but he missed them there too. On his way out he passed Flack who were desired in he passed Flash, who was dressed in leather, parking his hig hike. Once an on-campus LSD salesman, Flash had recently met Jesus in Yakima, Washington, during a Grateful Dead concert.

'I want in talk to you," Flash said. "I want to know where you're coming from." Although he did not know why. Lanphere went back imo Denny's with dust. They were still smoking grass. him. They ordered coffee, and Flash Midge had been on the edge of a mental asked him: "You got guts enough to hold breakdown and her doctor suggested hands for a minute?" Lamphere thought isolate themselves, I did not feel that people created this juxtaposition. So God did it,"

Effman said. "We live the many soviet children, But world of conflicts but in the world of the world o

alcohol, marijuana and acid and now you can do it with nothing

When he got home, Midge said in him: "What are you on? Give me some."

"A guy just told me 1 got saved," he answered, "From what?" she asked.

One way or another one thing led to another and, on Nov. 5, 1969, they flushed their bottles of reds and yellows plus an ounce of grass down the toilet. He had begun to play his tenor again, filling in for Getz in Seattle and going out for a week in Vancouver, British Columbia, with Maynard Fer-guson. When the Christian rock band from the Bright Moon Tavem asked him to jam with them in a local theater, he tried to think of something appropriate. "Is Battle Hymn of The Republic" a sacred song?" he asked Midge, He'd played it in a bar recently and it was fun.

"Seek and ye shall find," she advised. Lanphere stood up, looked up and yelled: "Hey, Jesus! Is Battle Hymn of the Republic' a sacred song?" The television was on and a face came on the screen

and a race came on the screen and a race came on the screen and a race came on the screen and as race came on the screen and said: "This is the final night of the Billy Graham Anaheim crusade and black sheep. "From the Big Apple to the little apple," he shrugs, with a crooked smile and clear eyes.

One day in 1969 he was "reasonably loaded" on grass driving home from across the Cascade Mountains, A psycholdic aclear distributions and said: "This is the final night of the Miss Ethel Waters is going to sing probably the most farmous of all gospel songs. "Battle Hymn of the Republic." "That was that," says Lanphere. "That was 30 years ago, and it's still rolling." He closed the store, which was

HE MAN once known as the "most notorious belopper in the Northwest" works with Bud Shank and Larry Coryel! and other veterans who have settled around here. Some of his 35 students harter for services like dental, roofing and accounting work. He records for Hep records, a Scottish company, and flies east to perform, teach and network for a month or so a year.

He is generous sharing his insights with high school students. Every Sunday he anends his local Foursquare church -"it's a worldwide denomination by now" - and he gives a Sunday evening concert there every two or three months. Lanphere prays every day. He'll pray

for you if you have a toothache. First, though, he asks if you mind. A piano player he knows who had a serious hand world of conflicts, but in the it was without his parents' vor," he said in 1979, two beginning, there was spiritual consent that he applied for the years after forming his com-

# The Lawrence Affair

By Sheridan Morley

ONDON - It is almost 40 years since Lotte Lenya brought her "Brecht on Brecht' to London, hut I have never forgotten the spine-chilling moment when the actors fell silent to listen, as the audience did, to a scratchy tape of Brecht giving his terrified testi-mony to the House Un-American Activities Committee, before he fled America forever. Long before the invention of the docu-drama, this was my first realization that a stage production did not always have to be fictional, and I have been half in love with what we might call

The Tricycle in Kilhurn is the only theater in this country that has lately made a policy that has lately made a policy out of it. Its reconstructions of court cases on stage have, over the last three years, taken in the Nuremberg Trials, the arms to Iraq inquiry and evidence given in The Hague about Srebenics.

transcript theater ever since.

Now we get the most powerful and topical yet, a reconstruction over three hours or so of the six-month inquiry last year into the Stephen Lawrence affair, when five or six white racist thugs killed a hlack student in South London in 1993. The issue here is racism, not only on the part of the killers, but also on the part of a local London police force.

So the first night at the Tricycle last week of "The Colour of Justice" was more than a little unusual. Lawrence's parents were in the audience, as were many of the lawyers who featured in the inquiry, and when at the end everyone stood for a moment with the actors in silent tribute to the victim, it was hard to know exactly where reality started and theater stopped. Which is, of course, exactly what defines great drama.

By staging one of these reconstructions every year, the Tricycle has now assembled a useful repertory company of character players, led by Mi-chael Culver and Jeremy Clyde, who move effortlessly from one side of the dock to the other as judges, counsel

and wimesses. If there is a problem here, it is one of immediate topicality; as with a book rather than a newspaper or a television documentary, it still takes a

matter of months in get these reconstructions ooto a stage. As a result, 'Justice" could take no account of the fact that, an hour or two before it opened to the press, it was announced that the last police officer involved in the immediate inquiry, a man about to be officially disciplined for the way he handled the case, had been allowed to take early retirement on full pen-

ficial reprimand. Similarly, "The Colour of Justice" was already up and running and unchangeable when the news came through last weekend that new evidence indicated there may well have

sion rather than face any kind of of-

been a drug connection (albeit one of mistaken identity) to explain what has hitherto seemed a motiveless murder. In all other respects, bowever, the journalist Richard Norton-Taylor and the direc-

tor Nicolas Kent have achieved a staging of remarkable power and tension. As witness after wimess takes the

oath under the steely gaze of Culver's inquiry chairman and Clyde's acidly elegant counsel for the Lawrence family, you suddenly realize that. paradoxically, what is happening on stage seems infinitely more real than the many television real-life documentaries about Lawrence that have been aired on almost all networks these last few days.

The "trials of the century" concept has always been a winner, and this, in all its awful truth, is certainly one of those. I only hope we have not heard the last of it.

All credit to the tiny Attic Theare Company out at the Wimhledon Studio, for giving us our first glimpse in 50 years of "Ace of Clubs," the Noel Coward musical set in a London nightclub just after the war. True, it didn't entirely work first time around, and it still doesn't. The book is uncharacteristically derivative and repetitive, but there are at least six great Coward songs that started here.

Peter Gale is a suitably urbane nightcluh manager and Claire Carrie and Russell Wilcox handle a fragile love story with considerable charm; Jenny Lee's nightchib-set production on a tiny stage is yet one more proof that smaller is better.

# Transcript Theater: At Chanel Show, Opposites Fail to Attract

By Suzy Menkes

ARIS — The last couture shows for the 1900s are unrolling here. And Tuesday's collections from Chanel and Christian Lacroix wrestled with a knotty problem: Should high fashion be huilt on the grand foundations of its past? Or should it reflect fashion's mundane present?

At Chanel, Karl Lagerfeld tried to

straddle the two worlds, producing a show filled with opposites, from cargo pants with fitted jackets through ball skirts with bare midriffs. But a flat show proved that opposites don't always at-

Lacroix was in a world of his own, where all is artifice, but his sophisticated fantasy received an ovation from a crowd moved by the designer's singleminded vision

Chanel's show was about making easy clothes in a complex way and about playing with silhouette and volume. It sounded much better in Lagerfeld's description of clothes that mixed firm lines and free-flowing shapes, than in its reality on the runway.

Draped pants, somewhere between a dhori and jodhpur style, broke the cardinal rule of the gym-honed generation by making the wearer look hig, especially from the rear.

When the perfectly proportioned Naomi Campbell walked down the runway in a hronze dress that hloused to give her a hefty hipline, you knew the message wasn't getting through.

Yet the thenry was good and so was the setting: a noble space in the Louvre complex, with bare stone pillars and a sisal carpet as the runway. That was color matched in the oaimeal cardigans that were worn taut over their wide bottom halves, from the sloppy pants huttoned at the ankle, through easy skirts, some with big cargo pockets.

The show, deliberately lacking in hrio, hravura and brouhaha, had some exquisite pieces, but left the impression - increasingly familiar with Lagerfeld - of being done from intellect and experience, rather than instinct.

From its limpid colors (oyster, lavender, face-powder pink and celadon green) through the draped pants and matt surfaces, the Chanel show suggested an artist's impression that seemed more like a work in progress. Lagerfeld described the look as

"sketching and etching" — interpret-ing a line about indecision and precision from a poem by Paul Verlaine. Think sloppy chic, as cargo and jodhpur pants spread fat pockets and loose folds below the tiny jackets or bodyhugging cardigans. The alternative was a linear precision. That might mean silver sequins hisecting a white satin sheath or a column of chiffon draped with the grace of a sari.

In its sporty, at-ease feel the collection nudged much nearer Coco than it has for several seasons. Yet the sportswear produced some weird items, like taffeta overalls over a sequined top.

Although it doesn't play on the runway, the show was very haute conture in its extraordinary workmanship, lightly worn, as when a jacket (yes, Chanel still has tons of them) was pieced in panels or a nude-colored dress flowed into ribbons from the shoulder. For client needs, there were low-key, loose-skirted suits and unshowy items like a beaded sweater that require hours of delicate hand-

What was missing positive turn-off) or any sense of fashion urgency or of setting an

work.

agenda for the future. Well, Lagerfeld has done all that for Chanel. But it is a rare thing to find a show from such a stellar designer that seemed so lacking in forward drive.

If you want one designer's sweet, sensitive vision of fashion, played out in grand fabrics, subtle weaves and artistic dabs of color, Lacroix's collection was beautiful in right control of all the bows, swooshes, embroidery and delicate bead necklaces that make up his work, the designer made every outfit

into a little jewel.

The models came though the runway arch, decked with foliage and vivid paper leaves, airy black straw bonnets on their heads, satin slippers, tiny jackets and skirts the consistency of whipped cream, blown sideways as though caught in a breeze. Instead of the ball-room of the Grand Hotel, we could have been in the Tuileries gardens 100 years ago, before sneakers, jogging suits and

sportswear had been invented. There is always a feeling that Lacroix an orange gleaming through a perforse living in the wrong century. Yet so ated black fabric—or used as a touch of





was any sexual pulse Chanel's tightly fitting jacket and skirt with cargo pockets, by Karl Lagerfeld. (the soggy pants were a left, and Lacroix's ruffle collar and back how on a gold-sprinkled sheath dress.

powerful was his vision that an audience of professionals, including Lacroix's boss, Bernard Amault, jumped up to give the designer the first standing ovation of the Paris season.

Why? Because, in a homogenous fashion world, there is a yearning for couture to deliver something different. In a season where fantasy has mostly been reined in and some of the plain, polite, politically correct suits look more like upscale ready-to-wear, such persistent fashion individuality is strik-

ing and even moving.

And Lacroix gave the best of himself, returning, as he said, "to the roots of the house." That meant reworking an ebullient mix of Arlesian peasant and Gaiete Parisienne that has been dormant for some years at the house. But it resurfaced in a controlled way. Out came dresses and skirts layered with merry coin dots, scattered with a strategic bow or wrapped like a premy parcel to narrow

ribbons at the midriff. With colors sometimes veiled -- as in shocking-pink collar or cobalt-blue flower, the mixes were audacious but judicious.

So were the fabrics. Although there might be a simple black jersey T-shirt or fresh white tulle skirt, they were offset with materials that were hand-painted, shredded, woven, embroidered to create artistic effects that seldom looked artsy-

But what about those can't-pack-'em, how-do-l-get-in-a-taxi hall gowns? Their festoons of fabric and rich colors will be reproduced in white as wedding gowns for women who may wear sportswear and sneakers, but, for at least one day in their lives, can still dream of



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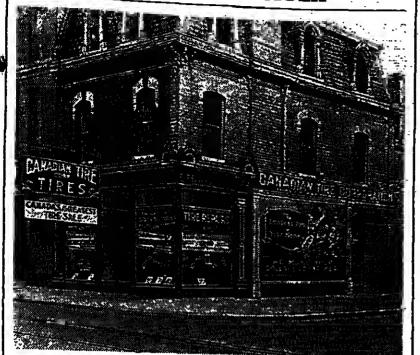
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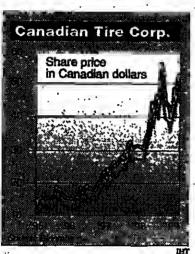
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### INTERNATIONAL MANAGER





A Canadian Tire store in Toronto around 1925, when the company was three years old; left, Stephen Bachand, the chain's chief executive, who is leading a turnaround.



### A Comeback in Canada

#### Traditional Retailer Faces Down U.S. Giants

By Steven Pearlstein ashington Post Service

supply emporium three years a second-generation Canadian Tire ago on the site of the old Toronto man from Montreal who oversees the stockyards, the weekend traffic was so brisk it looked like it would only be a matter of months before it would crush the dowdy, cramped, alwaysout-of-everything hardware and auto-supply store a few blocks away down cach year in refurbishing stores, re-

After all, it had happened that way in most of the major markets in the eastern United States, including Washington, where Home Depot quickly drove the once-dominant Hechinger Co. chain into the hands of

new owners. But this was not the United States, and this was not just any store. It was Canadian Tire, where almost every Canadian can remember getting a first bike or pair of hockey skates and where 40 percent of Canadian adults shop at least once a week for new wiper blades and light bulbs, snow sbovels and drill bits.

Here was a company so much an institution in Canada that it issued its own money, was celebrated on a postage stamp and had won the country's highest honor, the Order of Canada.

So it was a matter of national pride, as well as competitive imperative, that Canadian Tire Corp. determined to go hoe-to-hoe with Home Depot right there on Keele Street. Canadian Tire bought the lot next door and put up a new store with more than twice the space, then outfitted it with bright new lighting, wider aisles, oew merchandising displays and expanded lines of nationally branded goods alongside its familiar house brands. Prices on competitive items were slashed by as

much as 15 percent. The results: Sales and profit at the Keele Street store have climbed more than 50 percent, even as the rival Home Depot posts some of its highest sales anywhere in North America. Not only are 25 percent more people com-ing through the front door, but they are

also spending 25 percent more, on average, each time they come.
'With our new format, it probably

ORONTO — When Home helps on to have Home Depot next Depot Inc. opened its newest door — it makes this a destination American-style building point for shoppers, "said Tim Tallon, operation.

And it's not just at Keele Street. The story is much the same across the venerable Canadian Tire chain, where focusing the merchandise mix, streamlining distribution and upgrading sophisticated information sys-

Despite the aggressive expansion of Home Depot and Wal-Mart Stores Inc. in Canada and the arrival of Florida-based Sports Authority Inc., sales at "The Tire" are now at record levels, topping \$2.8 billion last year, with profit growth in double digits after five years of decline in the early

Canadian Tire's stock, which fell as low as the equivalent of \$7.50 after Wal-Mart and Home Depot announced their entry into Canada in 1993, closed Tuesday at 53 Canadian

dollars (\$34.60), up 1. Stephen Bachand, the U.S.-trained executive behind the turnaround, said he realized early that Canadian Tire

had several big advantages.
One was that Canadian Tire's 'weird" assument of merchandise - automotive parts, hardware and sporting equipment—did not directly match that of any competitor, even though it was the largest Canadian

retailer in all three categories.

And in Canada, the 77-year-old company had the advantage of being the incumbent in a marketplace where loyalty was still highly valued by con-

"If yoo've got a lousy offering in the United States, the customer walks out and says, 'Yon'll never see me again,'" he said. "Here, on the other hand, they write you a letter and ask, When are you going to fix my Ca-

See TIRE, Page 12

**CURRENCY RATES** 

### At Home and Excited to Combine

#### \$6.7 Billion Acquisition Feeds the Frenzy Over Technology Stocks

NEW YORK - At Home Corp., a

biggest in a flurry of recent Internet acquisitions, exceeding the \$4.2 billion purchase of Netscape Communications Corp. by America Online Inc. an-nounced two months ago.

Based on stock prices before At Home's bid, Excite is worth about \$3.4 billion. That means that At Home would pay nearly double the recent market valuation of the company. That sent investors flocking to Excite's shares Tuesday, they closed up \$42.40 at \$110 and were the most actively traded U.S. issue, At Home

rose \$13.375 to close at \$115.375.
The deal added fuel to the frenzy over

high-speed Internet service aimed at Internet-related stocks, lifting the tech-cable television subscribers, said Tues-oology-beavy Nasdaq composite index oology-beavy Nasdaq composite index day it would buy Excite Inc., one of the 59.49 points to a record close of leading Internet destinations, for about \$6.7 billion in stock.

If completed, the deal would be the stock of th rising \$6 to \$323.

At Home's purchase of Excite would strengthen its position in the compe-tition for destination sites, known as portals, that is increasingly defining the commercial Internet. It would also sharpen the position of AT&T, which is now concluding its acquisition of Tele-Communications Inc., At Home's maior shareholder.

Under the terms of the agreement, Excite's, shareholders would receive about 30 percent of At Home in a stock

transaction involving the issning of new shares. The resulting company would be named At Home, and George Bell, Excite's chief executive, would become an At Home board member and take an executive position in the combined

At Home now has more than 330,000 customers for its service, which provides high-speed Internet data via cable networks. The deal would give it access both to Excite's users - it is the sixth most heavily trafficked site on the Internet - and to the company's content development capabilities.

Excite is attractive to At Home as a potential vehicle to market its high-speed cable modern network to those dialing in with conventional moderns through telephone lines. In addition, Excite offers a popular Internet brand name as well as



George Bell, Excite's chief executive, explaining the deal Tuesday.

the nucleus of an expanded content-development capability that would become the heart of a future At Home service.

See EXCITE, Page 12

### Brazil Stocks Rise Despite Surge in Rates

BRASILIA - Brazilian stocks were higher Thesday despite a jump in inter-bank lending rates to 32 percent after the government's announcement that it would float its currency on a long-term

The central bank raised its overnight interbank lending rate from 29.80 percent in what some analysts said was a bid to discourage inflation and an outflow of investment from the largest Latin American economy.

Share prices on the Sao Paulo Stock

Exchange slipped early on the news but closed 3.76 percent higher Tnesday. The rise followed gains Priday and Monday in the wake of the government's desirable to the same of the same of the government's desirable to the same of the sa ment's decision to stop spending hard currency to shore up the real.

The currency strengthened Tuesday, with the dollar fetching 1.56 reals at the close, compared with its finish Monday of 1.59 reals. The currency has tumbled 24 percent since the government began a series of steps to devalue it.

President Fernando Henrique Cardoso defended his government's move to end once and for all its expensive four-year defense of the real's value. saying the shift to a floating currency was a necessary first step to turning around the economy in this nation of

165 million people.
"Brazil has already won," Mr. Cardoso declared at a news conference with the leaders of both houses of Congress An official of the International Mon-

ctary, which has put together a \$41 billion aid package for Brazil, said the rise in interest rates was the right move to show investors the government is not

to show investors the government is not going to treat the country's currency "with benign neglect."

"A strongly depreciating currency in Brazil could trigger inflation," Jack Boorman, director of the IMF's policy department, said Tuesday in Washington during a news conference on an internal evaluation of the fund's mark in internal evaluation of the fund's work in Bast Asia. The authorities have got to "convincingly act" to show markets "that they don't intend to let inflation get out of control."

Brazil has received around \$9 billion of the IMF package, and the finance minister, Pedro Malan, eager to win another installment, was in Washington on Tuesday to explain to the Clinton administration, the IMF and investors how his government will make its promised reforms.

But the IMF is requiring that Mr. Cardoso's government first raise taxes and cut spending to reduce its public

The president of the World Bank, James Wolfensolm, praised the Brazili-an leadership Tuesday and said Latin American countries were dealing effectively with the continuing financial crisis in Brazil

"The way the region has gone through the Brazilian crisis is rather optimistic," Mr. Wolfensohn said in a talk at the Organization of American

While the region "was not ready for everything, it was more ready to be challenged than previously" because of adjustments it made in fiscal and monetary policies after Mexico's 1995 peso crisis, he said.

Mr. Wolfensohn praised Mr. Cardoso and Mr. Malan for their strong response to the economic crisis.

(AP, Bloomberg)

SEOUL - The sovereign credit rating of South Korea was restored to investment grade Tuesday by the leading rating concern in Europe, the first such upgrading since financial crisis swept through the economy more than a

By Don Kirk ernational Herald Tribune

The new sign of confidence in the rebounding financial strength of South Korea, by the London-based agency Fitch IBCA, was expected to encourage investment and reduce borrowing costs for government and businesses. It followed indications that Standard & Poor's Corp. and Moody's Investors Service Inc. also were taking a more optimistic view of the country's prospects.

"Economic stabilization is well ad-

vanced, and the economy is beginning to recover," the rating concern said.

That optimism contrasted sharply, however, with immediate prospects for employment. Government leaders predicted Tuesday that nearly 2 million people would be officially listed as unemployed by this spring while several hundred thousand more would join the ranks of the "hidden jobless," those who have dropped out of the job market.

The Tripartite Commission, founded a year ago as a forum for government, business and labor to negotiate disputes,

said memployment would rise from the current 7.4 percent to more than 8 percent as the chaebol, or conglomerates, cut tens of thousands of jobs.

Seoul Gets Upgrade From Rating Firm

The pessimistic outlook for labor contrasted with optimism that the country may be slowly pulling out of the crisis precipitated in 1997 by the bank-

ruptcy of a number of the chaebol.
Fitch IBCA, Moody's and S&P all lowered their ratings on South Korea in November 1997 after the government turned to the International Monetary Fund for a rescue package of nearly \$60 billion. Moody's said in December that it would review South Korea's foreign-currency ratings for possible upgrades, and S&P two weeks ago revised its outlook on South Korea's economy to

positive from stable. Fitch IBCA raised the long-term foreign-currency rating to BBB-minus from BB-plus, which was one noteh below investment grade. But it left the longterm local-currency rating at A-minus a recognition of the large domestic debts

accumulated by South Korean banks. Officials predicted that the improved rating would encourage foreign investment but appeared worried by the prospect of confrontation with labor unions over the oext few months.

Kim One Ki, chairman of the Tripartite Commission, citing a series of clashes with labor unions in 1998, said uncertainty among workers would pose "an even more serious problem than last year." He predicted that the country's two major labor unions would adopt a "hard-line stance" against fur-ther job cuts, possibly leading to calls for a general strike.

A portent of that was a walkout Tuesday by workers at Daewoo Electronics Co. protesting the absorption of their company by Samsung Electronics Co. More than 6,000 workers at Samsung Motor Co., which is to be taken over by Daewoo Motor Co., have been on strike since early December.

Analysts estimate that there are about 1.5 million hidden jobless in South Korea -- many of them women who have lost jobs but returned to bomes and families without applying for unemployment benefits; the number is ex-

pected to rise to 2 million by spring.

Labor Minister Lee Ki Ho said the government was preparing a program to provide as many as 500,000 jobs, most of them on public-works projects.

The pieture of a growing labor crisis contrasted with a prediction by the Bank of Korea that the economy would grow 3.2 percent this year after shrinking 7.8 percent in 1998. John Dodsworth, the IMF representative in Seoul, said the Fund, which earlier predicted another year of decline, would probably revise its forecast for this year.

#### Global Private Banking

### AT REPUBLIC, MANAGING YOUR ASSETS IS A DIALOGUE,

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In fact, we consider asset management a team effort, with you as the key member of that team. Your particular financial needs, your objectives, help us determine the winning strategy. Our fundamental goal: to protect your capital as we safeguard its purchasing power.

It is a simple principle upon which we base our brand of financial conservatism: private banking built upon rigor, discipline and prudence. This sophisticated conservatism,

vigorously pursued, has created a global private bank of exceptional stability, capable of weathering the roughest storms.

Indeed, Republic's capitalization ratio, on a risk adjusted basis, is twice as great as that required by the world's international banking regulators.

To our way of thinking, it is security as well as return that we must ensure each day. And in the process, to provide a unique quality of service understanding and discretion.



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a: To buy one pound: b: To buy one dollar: SDR: Special drawing rights of the IMF. Sources: Bank of Tokyo-Mitsabishi (Tokyo): Roy Franco (euro): IMF (SDR). Other data from Realis

**Euro Values** Fixed rates of the EMU

11.8557 34.76 \$1.222 5.6572 1.8853 0.67861.648.41 1.8969 172.75 143.37 19.4627 \$7.4433 0.6961 9.3033 2.7746 1.1253.76632 31.49 28.46 23776 9.423 2.284 22.28 20.19 67.73 168.20 6.84 60.11 0.66 0.7961

European Cross Rates  Republic National Bank of New York Strength. Security. Service.

A Safra Barib - New York - Genera - London - Beijing - Beirot - Beverly Hills - Bueron Aires - Cayman Islands - Copenhagen - Encine - Cibrultar ternosy - Horig Kong - Jaharta - Los Angeles - Lusano - Los embourg - Manila - Mexico City - Miami - Milan - Monte Corlo - Montevideo - Montreal Museous - Nessau - Paris - Punta del lista - Kio de Jameto - Sentiago - Sen Paula - Singapure - Sydney - Taipei - Tulyo - Turonto - Zarich

e Republic National Rank of New York, 1998.

#### Very briefly:

• Pfizer Inc., maker of the impotence pill Viagra, said its fourth-quarter profit from continuing operations rose 42 percent as it introduced the drug in more European countries. Profit excluding one-time items rose to \$711 million from \$500 million a year earlier. Revenue rose 26 percent to \$3.87 billion, including \$236 million in Viagra sales.

• Delta Air Lines' profit climbed 2 percent in the last three months of 1998, to \$194 million, but Northwest Airlines had a \$181.3 million loss in the quarter because of a 15-day pilots strike, compared with a profit of \$105.4 million a year earlier. Revenue was \$3.45 billion, up from \$3.43 billion.

• Cargill Inc. reported net earnings of \$587 million for its first half, which ended Nov. 30, including a gain from the sale of its seed business to Monsanto Co. and a net operating loss, largely from financial trading losses in Russia and emerging markets. The figure compares with earnings of \$124 million a

 Core Laboratories NV agreed to buy GeoScience Corp. for \$214 million in cash, stock and assumed debt to acquire technology that helps companies extract more oil from un-Bloomberg, Reuters, AP

#### Merger-Linked Job Cuts Soar

Bloomberg News

WASHINGTON - U.S. companies planned record job cuts in 1998 resulting from mergers, making last year the biggest year for dismissals since a recruitment firm began surveying employers about their plans.

Merger-related job cuts rose 99.6 percent last year to a record 73,903, according to a survey by the Chicago-based firm Challenger, Gray & Christmas. That topped the previous high of 72,083 merger-related jobs cuts in 1995, the first year the employment firm began tracking the figures.

A total of 14,545 planned cuts in December — the largest monthly toll since June 1995 -- capped the 1998 record.

### **Dollar Falls** After Brazil Raises Rates

NEW YORK - The dollar fell against other currencies Tuesday. amid confusion over the outlook for by the country's central bank to raise interest rates late Monday.

#### FOREIGN EXCHANGE

After the central bank executed a well-received float of the currency, the real, dealers said it undid some of the good work by mising its benchmark interest rate in an effort to stem a further slide in the real. The move lowered hopes for a recovery in Brazil, the largest economy in Latin America.

The rate increase drove the cost of overnight borrowing to 41 percent from 29 percent. A slump in Latin American growth could hurt the United States, which does about onefifth of its trade with the region.

"Some people are a little nervous New York.

Weakness in U.S. blue-chip stocks also weighed on the dollar. The dollar slipped to 113.45 yea in 4 P.M. trading from 113.95 yea Friday, There was no trading in New York on Monday because of the Martin Luther King Jr. Day boliday. The dollar also fell to 1.3760 Swiss francs from 1.3840 francs.

The euro rose to \$1,1622 from \$1,1558, and the pound rose to \$1.6556 from \$1.6493.

The yen was helped by talk that Japanese exporters and financial institutions were bringing money home to offset losses before the fiscal year-end in March. Higher Japanese bond yields also are prompting Japanese investors to sell holdings of foreign stocks and bonds and invest domestically, traders say

The money flows are going toward Japan, not our from 'Japan," said Kathy Jones, a currency analyst at Prudential Securities Inc. "Banks typically repatriate capital to rebuild their base, and this year more than any other they need to do that."
All of these factors are increasing

demand for yen, she said. The dollar cut its losses against the euro after the Enropean Central Bank, in its first monthly report, said growth in the euro region would probably slow amid stable prices. That supported expectations that the bank could trim interest rates in the

(Bridge News, Bloomberg)

# U.S. Banks Roll Out Upbeat Quarterly Results

biggest U.S. banks reported strong vestment banking revence.

Major U.S. brokerages also re- surge in on-line trading. Merrill ported better results than analysts Lynch & Co., Paine Webber Group had expected, a sign the industry is and Bear Stearns Cos all said earnrecovering from the financial tur- ings fell, but not by as much as the Brazilian economy after a move moil last summer that bloodled analysts had predicted profits and spurred layoffs.

One Corp., the fifth-largest, both benefited from growth incredit-card \$4.09 billion.

Co., but mostly because of one-time million a year earlier. Securities charges related to layoffs and cost- gains rose 36 percent, to \$167 mil- bank's real estate in Europe. cutting BankAmerica, the largest lion. Total noninterest revenue rose

NEW YORK — Some of the second straight quarter on lower in
Bank One said net income fell 75

Among the brokerages, Charles fourth-quarter earnings Tuesday, Among the brokerages, Charles lifted by higher loans and fees amid Schwab Corp. reported record an expanding U.S. economy fourth-quarter profit, helped by a fourth-quarter profit, helped by a

Chase Manhattan earned a net Chase Manhattan Corp., the \$1.15 billion in the fourth quarter, second-largest U.S. bank, and Bank up from \$874 million's year earlier. Revenue rose to \$5.35 billion from

Trading revenue was \$522 mil-Earnings fell at J.P. Morgan & tion, compared with a loss of \$78

percent, to \$226 million, mostly because of charges related to its purchase of First Chicago NBD Corp.

Excluding those charges, profit rose 17 percent, to \$1.04 billion. Noninterest income rose 11 percent, to \$2.07 billion, as credit card fees rose 39 percent, to \$1.08 billion.

Bank America's net income fell to \$1.16 billion from \$1.46 billion a year earlier. Profit was reduced by a \$441 million charge related to its merger with NationsBank.

by an \$86 million charge for severance pay and consolidating the Charles Schwab, the largest U.S.

discount brokerage, said its profit rose to a record \$106.4 million from \$63.1 million. Like other Internet brokers, Schwab benefited from a

surge in on-line trading. Merrill Lyach, the largest U.S. brokerage, posted a 23 percent drop

in the quarter, to \$359 million, due to a drop in bond trading revenue. Pame Webber posted an 8 percent drop in fourth-quarter profits, but it still beat estimates because of strong asset management fees and commissions. The firm carned \$100.4

million in the quarter The investment bank Bear J.P. Morgan's net earnings fell to

The investment bank Bear
\$89 million from \$271 million, hurt Stearns reported a 15 percent decline in quarterly results due to a steep drop in investment banking fees. The firm earned \$135.9 mil-(Bloomberg, AFX, Reuters)

### TIRE: A Tradition-Rich Canadian Retailer Thrives Against Giant U.S. Chains

#### Continued from Page 11

nadian Tire Store?' They think of Canadian Tire as one of their nanonal treasures.

Part of it is simply the sbeer reach about the Brazil position, said leff of the Tire, with its 430 stores. Yu, senior trader at Sanwa Bank in stretching as far as Yellowknife on the Arctic Circle in the Northwest Territories. Despite the country's massive size, 80 percent of all Canadians live within a 15-minute drive of a Canadian Tire store.

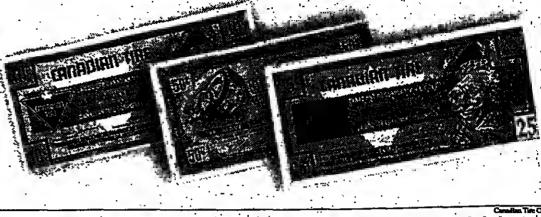
This sense of ubiquity is remforced by an aggressive marketing campaign that includes mailing out 9 million catalogues in a country that has only about 10 million households. And it is hammered home by heart-warming television commercials that evoke an era of kids playing bockey out on the pood or getting a new dream-come-true bike like the one in the Canadian Tire catalogue.

"You wake up on a Saturday morning and you need a bockey stick or a light bulb, and there is one destination - Canadian Tire," said Jack Hayne, vice president of merchandising for Home Depot

There is also a thrifty practicality about Canadian Tire that nicely reflects the personality of Englishspeaking Canada.

"It's so Canadian," said Ida Mit- years. suk, a photo-studio employee, as she strolled the aisles of the Keele Street store one recent Saturday, "Good value, not flashy, dependable, easy to shop.

As its name implies, the company started out as a discount tire and auto-accessories warehouse. By the 1950s, it had branched into hardware, sporting goods and gasoline. Tire dealers must invest \$125,000, Its mascot was a pen-and-ink char- usually for a small store in a rural



Currency bills that were issued by Canadian Tire Corp. and were redeemable only in its stores.

acter named Sandy McTire, a area Over time, the dealers learn the penny-pinching Scotsman whose face was to grace every catalogue and every bill of Canadian Tire "money," the scrip given out with every sale that can be applied to-

ward future purchases. Today, for millions of Canadians, Saturday morning means coffee, doughnuts and reading the flier from Canadian Tire listing that week's specials. It is not unusual for Canadian Tire stores to sell more in one week of an item listed in the flier than they would normally sell in five

According to Mr. Bachand, the first and biggest challenge he faced was repairing the Tire's unusual corporate structure, which, when it was working well, combined the best elements of a tightly run retail system with the entrepreneurial energies of a franchise operation.

It works this way: New Canadian

business and, if all goes well, build up a big enough county stake to trade up to larger stores in larger markets It used to be a matter of five to 10 that the dealers actually tried to buy

salary, bonus and profit. And it is company's turnaround.
"I don't think there is any in-

centive program that could replace the pride of ownership we have as dealers," said Terry Douglas, whose store near Edmonton has been hitmoved in next door. "This is my blood and sweat, and all the checks have my name on them."

trouble, especially when the strongwould clash with headquarters exstrategy or cost-splitting formulas. somewhere else.

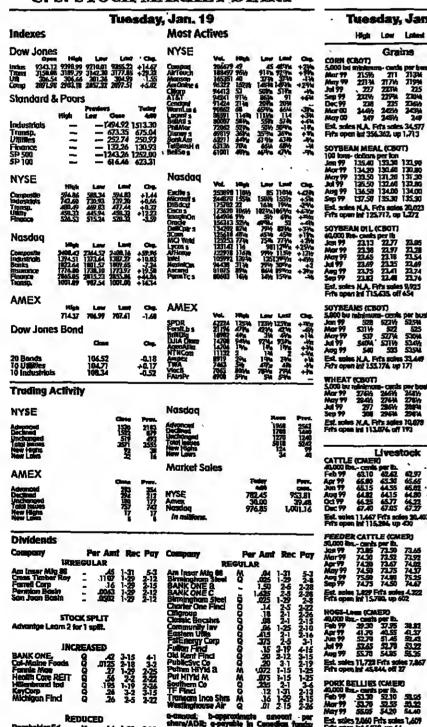
In the decade before Mr. Bachand's arrival, in fact, relations between the dealers and Toronto headquarters became so strained years before dealers were routinely the company from members of the pulling down \$1 million a year in feuding Billes family.

After securities regulators blocked this profit potential that Mr the takeover, the dealers cast their her Bachand credits with driving the with Martha Billes, the daughter of the founder, A.J. Billes Martha Billes moved quickly to buy out her brothers, fire the top executives and Jure Mr. Bachand to Toronto.

· For all its success at home, however, experts on retailing say ting record numbers since Wal-Mart there is little chance that Canadian Tire will try to invade oeighboring U.S. markets Canadian Tire is successful pre-

At various times, however, this cisely because it has a unique culture, structure was also a source of big a unique product mix and a unique connection with the consumer," said willed millionaires in Dealerland Robert Herber, a lecturer at the University of Toronto business school. ecutives over the latest pricing "It can't be exported or replicated

#### U. S. STOCK MARKET DIARY



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NATURAL GAS INMERO

EXCITE: At Home Makes Bid 🕏 Continued from Page II nology stocks, you're going to

agreement was heightened in market analyst at Prudential recent weeks because several Securities. "It's very hard to other companies were inter- keep the rest of the market ested in bidding for Excite, sitting there doing zippo."

The ability of Brazil's peting large portal and search. Bovespa index to close

engine, and Microsoft Corp.
There are other publicly traded companies that could Corp.'s First Capital Group.
(NYT, AP, Bloomberg)

■ Dow Follows Techs Up Leadership from technology stocks and a strong finish helped the Dow Jones indus- in Latin America, \$300 mil-

trial average recover from a lion of which is in Brazil.

100-point slide, news agen— "We certainly are a lit

New York Stock Exchange.
"When you have a powerful move in the big-cap tech-

have the big blue-chip names The urgency to strike an follow," said Larry Wachtel,

benefit from mergers and ac- 3.76 percent despite a spike in quisitions — alliances are be-coming more important," investors that the country's said Stephen Dalton, a fund financial problems might be manager at First Unioo contained. Still, investors were wary of multinational companies that rely on exports for profit and banks with debt exposure in Latin America. American Express fe 3% to 1001/2. The company 3 for Brazil's stock market bank has \$1.2 billion in loans

"We certainly are a little cies reported.

The Dow finished np 14.67
points at 9,355.22, and the Standard & Poor's 500-stock index gained 8.74 points to close at 1,252.00 Gaining issues outnumbered losing the standard at the close at 1,252.00 Gaining issues outnumbered losing the cautious for earnings or multinational companies, especially those with exposure to emerging markets, 's said Jacques Marmillod, the head of U.S. equity research at Geneva-based Pictet & Cie. "We would expect earnings" "We would expect earnings to disappoint for those

(Bloomberg; AP)

#### INTEREST RATES

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INTERNATIONAL HERALD TRIBUNE, WEDNESDAY, JANUARY 20, 1999

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# ECB Warns of a 'Short-Term' Slowdown in the Euro Zone

FRANKFURT — The European Central Bank gave a mixed outlook politicians for ways of controlling Tuesday in its first monthly report oo the euro zone, noting price stability but predicting a short-term slowdown in economic growth.

The new central bank, which sets policy for the 11 nations that adopted the euro Jan. 1, also said it was sunlikely that there would be a formal system for exchange rates between the euro and non-European currencies in the foreseeable fu-

The bank said its monetary policy strategy 'does not embody an exchange-rate target for the euro."

The comments were made against nomic activity in the short term," currently anticipated." the background of recent calls by the report said. "This might also have a further excessive exchange-rate volatility. Turning the tables, the bank warned the governments of the 11

efforts to reduce public spending. "Improvements in fiscal posi-tions have stalled," it said. "Struc-

Global turmoil has undermined industrial confidence, the bank said, with figures to October 1998 showing lower production growth. "All this has fostered expectations of a

Consumer price increases also edged downward on the basis of low mestic prices," it said. wage growth in 1998 and low enwarned the governments of the 11 ergy and commodity prices, the euro countries not to relax in their ECB said,

both higher and lower prices — a three quarters of 1998. factor that is prompting the bank to

damping effect on import and do-

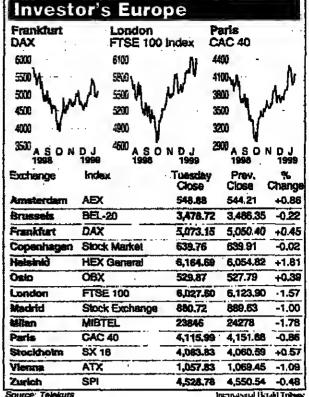
On a more optimistic note, the ECB noted that consumer confidence was rising and that retail sales The bank pointed out risks for remained strong through the first

The monthly report continues a tural deficits in the euro area in fact maintain its key 3 percent refinanc-tradition of the German central deteriorated slightly in 1998." maintain its key 3 percent refinanctorated slightly in 1998." ing rate "for the foreseeable fumunicated its views to the public oo While the bank said there were no a regular basis. Drawn up by the new indications of upward or downward bank's chief economist. Ofmar Isspressures on prices, it cautioned that ing, who held the same position at recent global developments "could the Bundesbank for eight years, the slowdown in the growth of eco- turn out to be more serious than is report provides an extensive expla-

nation of the bank's inflation-fighting strategy as well as a collection of indicators for the euro area.

"Like that of the Bundesbank, the report will essentially be backwardlooking and only rarely provide clues as to changes in the overall stance of central bankers," said Markus Schulte of Stone & Mc-

Carthy in Londoo. The report was prepared before Eurostat released revised figures Tuesday showing gross domestic product growth of 0.7 percent in the third quarter of 1998, up from 0.5 percent in the second quarter. Euro-stat said private consumption fueled the growth. (AP, AFP, Bloomberg)



### Strauss-Kahn Calls for 25% Withholding Tax in EU

PARIS — The European Union needs to move toward a "normal" rate of withholding tax on savings and investment income of "at least 25 percent" to ensure there is no proposed a tax of at least 20 percent unfair competition on these rates. Strauss-Kahn of France said Tues-

with tangible proposals by the end by June.

of June from a special EU working

panel — as a test of the EU a win to take concrete steps on taxes and to build a balanced Europe.

The European Commission has the European Commission has a test of at least 20 percent threatened to veto any EU-water withholding tax on interest income unless Europeands are exempted.

Calling for greater safeguards to the EU a win to the same and to the same and to the same and the same and to the same and the same Minister Dominique international securities held by EU residents in EU member nations as y. part of a tax-coordination package
He described this rate — coupled for which it expects to win approval

Luxembourg has said it favors a lower rate, and Britain has threatened to veto any EU-wide

protect investors, Mr. Strauss-Kahn said the EU needed to develop a common rule book on sales of securities and savings and investment

#### Euro May Get Early Release

The EU Commission is considering distributing euro notes and coins a few weeks before the official target date of Jan. 1, 2002, but only to retailers, Monetary Affairs Commis-sioner Yves-Thibault de Silguy said, Agence France-Presse reported from Brussels. Consumer organizations products as well as on transparency. bave pressed for an early release to ease the changeover for the public.

In cootrast, the Jini-HAVI alliance is a decentralized approach to Play alliance appear to be attempts no central point. In the Jini-HAVI to do roughly similar tasks: make it vision of the world, the consumer possible to control myriad devices could control all the appliances in a

### **Profit Posted** By Club Med

PARIS - Club Mediterrance SA said Tuesday that its efforts to spruce up its vacation properties had helped the company swing back to profit in its latest financial year.

Club Med, which offers all-in-clusive vacations in a variety of locations, posted a profit of 171 million francs (\$30.2 million) on sales of \$.38 billion francs in the year that ended Oct. 31.

The company had a loss of 1.29 billioo francs in the previous year. But because those results included 1.21 billioo francs in restructuring provisions, the most accurate indicator of the recovery was the improvement in operating results: a profit of 386 million francs, compared with a loss of 104 million

francs a year earlier. Club Med recovated 17 resorts last year and expects to renovate 40 more through next year. It also opened four new resorts.

Shares of Club Med jumped in

### Very briefly:

 BP-Amoco PLC is closing its Romanian subsidiary, Amoco Romaoia Petroleum Co., amid global concems about the oil business as oil prices remain near 10-year lows.

• Deutsche Telekom AG's net profit rose 27 perceot, to 2.15 billion euros (\$2.5 billion), in 1998, largely because an accumulated deficit from loss-making activities was halved. Revenue climbed 3 percent, to 35.64 billion euros.

 The euro made its debut on Russia's volatile currency market, with some 3.2 million euros changing hands on the Moscow Interbank Currency Exchange. The European currency ended trading at 27.34 rubles.

OAO Gazprom recorded a loss of 45 billion rubles (\$2.06) billion) in 1998 because of the Russian financial crisis and the steep slide of the ruble. An operating profit of 37 billion rubles was eroded by a oegative currency effect of 82 billion rubles. the gas company said.

· Hanson PLC unified its corporate structure by rebranding all of its operating companies to trade under the Hanson name. The British builder plans to develop further through investment and acquisition, mainly in the United States and AFP, Bloomberg, Bridge News

#### LINK: Home Appliances to Get Java as Sun, Sony and Philips Form Alliance Continued from Page 1 moves into new consumer markets. At the Consumer Electronics gram Interface, or Home API, which standards for a PC-centric vision of Show this month in Las Vegas, Missintended to create links between the home of the forum. commercial services." The link between the two con- crosoft unveiled a new alliance built the personal computer and consumer electronics giants and a lead- around its Universal Plug and Play sumer electronics world. ing developer of Internet computing standard. Major PC makers, includ-Both the Sun Jini initiative and computing in which control is the Microsoft Universal Plug and spread throughout a network with equipment also represents an alli-

equipment also represents an alliing Compaq Computer Corp. Dell
ance strong ecough to take on MiComputer Corp. and Hewlett-Packcrosoft Corp in a standards battle ard Co., have already announced for the consumer market. Microsoft, support for the standard. which controls the personal com-

Microsoft has also attempted to puter market with its industry-stan- forge an alliance with Intel Corp.

in the home and office. But the two technologies also rep-

networked home from a personal computer but could also use a television or even some all-in-one io-



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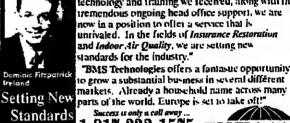
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# Movie Mom's Fund Makes Companies Focus on Performance

By Adam Bryant

New York Times Service NEW YORK --- At the Reader's Digest Association's annual meeting late last year, Nell Minow, whose Lens fund owns more than \$8.5 million worth of Reader's Digest stock, spoke out about her fund's proposal to bring the company in line with others in the way it issues

Most of the stock is held in a separate class by foundations. Ms. Minow argued that the foundations' aversion to risk had hamstrung the company, which while actually based in Chappaqua. New York, has nearby Pleasantville as its postal address.

Reader's Digest, she said, is years behind the rest of Corporate America.

'In a movie called 'Pleasantville,' two young people bring a hlack-and-white community stuck in 1958 into the world of modern reality

and color," she said at the meeting.
"It is impossible," she continued, "not to think of that today as we visit Pleasantville, New York, to see whether it, too, will move beyond the 1950s aura in which it seems to have been

The fund's proposal was later rejected. Nonetheless, the effort was a perfect opportunity for Ms. Minow to marry her two careers and pas-

By day — or three days a week, to be exact — she is the public face of Lens, an activist share-holder firm she co-founded in 1992 to invest in companies that are underperforming for reasons that Lens thinks it can change, like a hoard that is reluctant to take drastic action because it is too cozy with management.

Ms. Minow is also known as Movie Mom. Since 1995, she has run a Weh site (www.manicmum.com) on which she reviews current movies and suggests the best films for families. She has also written for such magazines as Parents, Family Fun and Child, and she has a book coming out in April. The Movie Mom's Guide to Family Movies.

Lens, flush from successes in battles with companies like Sears, Roebuck & Co., Stone & Webster and Waste Management Inc., has posted an average annual return of 25 percent the

when Hermes Pensions Management of Britain announced it would join forces and invest \$100 million in the fund.

At Lens, the strategy for working with companies is fairly simple. After studying the cor-poration and its industry, Lens develops a plan to lift its performance, It then approaches the company with three options: deal with its plan, come up with a better plan or explain what is wrong with the fund's plan.

If Lens meets resistance, it will try to rally other large shareholders, using Ms. Minow's knack for sound hites to galvanize support. 'Nell finds the exact right words, something

out of contemporary culture." said Robert Monks, Lens' other co-founder.

She has, for example, been known to cite the physicist Werner Heisenberg's uncertainty principle in comparing boards to subatomic particles. 'They behave differently when they are observed," she said, "and my job is to let them know that I'm observing them."

She has also compared corporations to sharks: 'No malevolence, no intentional harm, just

· Zimbabwe's stock market stalemate contin-

ued for a third day Tuesday as brokers went to the

exchange but refused to deal as part of a protest

against a controversial new government tax.

brokers said. Protesters have been upset since

last week about a 5 percent tax levied on the

proceeds of selling securities as part of a 15

percent capital gains tax on securities announced

n the 1999 budget. But the levy has not yet been

collected and some brokerages might fail if the

government demands proceeds backdated to Jan.

• Societe Generale, lead manager of Air France's initial public offering, took "warm-

keting and book-building phases, which are de-

signed to court institutional investors. The par-

tial privatization is expected for the end of

M Avonmore Waterford Group PLC, a dairy

company based in Ireland, plans to change its name to Glanbia PLC in March to emphasize

Allegheny Teledyne Inc., a diversified U.S.

manufacturing company, said it would spin off

its aerospace and electronics unit and would also

proceed with its previously announced spin-off

of its consumer segment as part of a corporate

restructuring effort in 1999. Bloomberg. Reuters

that it operates a large international business.

January or the beginning of February.

'steps to generate investor interest Tuesday. The warm-up precedes the flotation's pre-mar-

Very briefly:

traders said.

past six years. Lens recently doubled its size something designed with sublime efficiency for self-preservation, which is accomplished without any capacity to factor in the consequences to

> Still, Ms. Minow has managed to win the respect of many executives of companies she has taken on. "She is somebody who is very clear about what she wants, very logical, very rea-sonable, but very determined," said Thomas Ryder, chairman of Reader's Digest.

> For most people, holding down one job is tough enough. But for Ms. Minow, 46, her interest in movies has helped liven up the often rarefied world of corporate governance.

> For instance, during one effort to persuade a board to see things her way, she told the directors: "Remember that scene near the end of 'Frankenstein,' when the people from the village storm the castle carrying torches? That's what the shareholders are going to do if you keep going in this direction.

> She has often described chief executives who are in denial about poor performance as being like the Wizard of Oz, who says, "Pay no attention to the man behind the curtain." And after Sears reduced the number of its directors to rebuff an effort hy Mr. Monks to join the board, she wrote a critical article about the company titled, "Honey, I Shrunk the Board."

> She is also waiting — very patiently, mind you - for the day somebody calls her with a request to suggest movies for the ultimate corporate film festival. Her candidates include "The Solid Gold Cadillac," about a woman who with just 10 shares of stock toppies a corrupt management: "Roger & Me," which chronicled General Motors Corp.'s layoffs in Flint, Michigan; "Wall Street," and —
> for its lessons on leadership for chief executives
> — "The Adventures of Robin Hood."

> As worlds apart as her interests in movies and corporate governance may seem, there are many similarities, Ms. Minow said. Both movies and companies often start out with a grand vision, but for reasons that have long intrigued Ms. Minow. something often gets lost in the execution. So highudget movies with brand-name stars and proven directors often flop, and boards and executive ranks are studded with well-qualified professionals who often fail to live up to their promise.

Ms. Minow received some early training in crincal thinking from her parents. She and her two sisters were generally not allowed to watch television, but ber mother and father were big movie fans and often gathered around the televisions Sunday night for the weekly Disney movie. Her father, in particular, was a tough audience: Newton Minow, a former chairman of the Federal Communications Commission, called television a "vast wasteland" in a famous

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Nell Minow has made it her job to study companies' boards: "They behave differently when they are observed, and my job is to let them know that I'm observing them."

During her university years she began watch ing an average of a movie a day on videotape. a habit she would maintain for the next 16 years. until her son was born. She has since cut back to about three a week. She often wrote essays with a movie playing. 'Ideally, it was a movie I've already seen once,' she said.

Ms. Minow, who has a law degree, worked for the Environmental Protection Agency and then the Office of Management and Budget, studying implementation issues." or why good ideas and plans become subverted.

She met Mr. Monks, and he asked her to help him start Institutional Shareholder Services to advise pension funds on how to vote their corporate proxies on matters relating to shareholder

Ms. Minow, a new mother at the time, told him she only wanted to work a few days a week, and he agreed with that. She kept the same arrangement when she left ISS as president and joined Mr. Monks to form Lens in 1992.

'Ironically, my decision to work three day week has resulted in much more professional success than I would otherwise have had because I've had to think very creatively about my career," she said.

January 19, 1999

### Room for Gains in European Markets

For information please contact Katy Houri: Fax (33-1) 41 43 92 12 or e-mai

The successful introduction of the euro in January may have created the impression of a unified single-currency bloc. But the varied reaction to the economic crisis in Brazil has, at least for naw, reinforced the notion that Europe is still the sum of its parts. Mark Howdle, head of European equity strategy for Salomon Smith Burney in London, spoke with Kenneth N. Gilpin of The New York Times on where Continental markets are headed.

Q: What is your view of European stock markets?

A: Equity markets are caught between a difficult real economic environment and a favorable interest-rate environment. By the end of the year, we think cheap money will have prevailed over recession and deflation fears. But it will be bumpy. We will have positive returns on equities, but not on the scale of the last four years, when they have been rising at more than 20 percent a year. This year we think stocks in the euro zone will rise about 9 percent,

Q: Where is the money going to come from to

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A: The mamas and papas of Europe have a ton of money in bank deposits, but not much in equity mutual funds. For every 12 euros they have on hank deposit, they have four in a mutual

fund. And only one of those four is in an equity mutual fund. Until three or four years ago, retail investors didn't trust equities. But since 1996, flows into equity mutual funds have increased sevenfold, to S80 hillion. But that is a small

amount of the personal savings pool. As far as where the money will be invested, we think there is going to be a lot of huying concentrated in the largest, most liquid stocks, issues like Royal Durch/Shell, DaimlerChrysler, Deutsche Telekom. Nokia, ING and Unilever. I think the smaller markets on the fringe of Europe - Finland, Ireland and Portugal - have the

potential for the biggest gains.

Q: What is likely to be the impact of events in

Brazil on European markets? A: Brazil is an early reminder that this is going to be a tough year for the economy, underscoring the likelihood that this will be the weakest year for global growth since 1982. German markets could be hit quite hard, not only because of the loan exposure of German banks but also because a number of their big industrial companies do a lot

Portugal has some exposure in Brazil. But the country with the higgest and broadest exposure to Lann America is Spain, which may throw off some buying opportunities.

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# Japanese Inventor Lights Way in Laser Race

By John Markoff New York Times Service

NEW YORK - A lone Japanese inventor has outrun some of the world's largest and most advanced high-technology corporations in the race to develop a new generation of short-wavelength lasers. The achievement is likely to hasten the introduction of high-definition digital video disks, higher-resolutioo laser printing and inexpensive and highly efficient lightbulbs for use in the home

The inventor, Shuji Nakamura, is a semiconductor researcher who has worked for more than a decade in relative isolation and has excelled in finding innovations in material sci-

Last week his small company, Nichia Chemical Industries, announced that it had begun shipping samples of violet lasers to a variety of companies planning to develop prototype products. The lasers have a life span of 10,000 hours, the level of reliability required by consumer electronics companies.

Such sbort-wavelength lasers, in the blue and violet part of the spectrum, have been pursued for years by companies including U.S. and Japanese giants like Minnesota Mining & Manufacturing Co., Hewlett-Packard Co., Sooy Corp. and Toshiba Corp. In digital storage such an advance is particularly impressive because corders that will be similar to today's VCR each time the wavelength of laser light is halved, the beam can then store four times more data.

That the race has so far gone to Nichia is a payoff for its long-term investment in pursuing this technology, which many corporations deemed a high risk.

But it may also indicate how Japanese and U.S. companies have reversed roles in recent years. Officials of U.S. companies said Monday that they still thought they could win the race to incorporate the technology into products and bring them to market first. From the 1950s through the 1970s Japanese companies successfully commercialized technologies invented in the United States.

The commercial application of the new lasers is expected to have substantial impact. For example, they will make possible high-definition digital video disks, or HD DVDs, a step beyond the current digital video disks. The new compact disk-size platters will deliver HDTV-quality movies, concerts and stage presentations. In addition, music publishers could publish entire anthologies on a single HD DVD, carrying more than a dozen hours of music oo each side.

Besides DVD applications, Mr. Nakamura said that the violet semiconductor lasers would enable a new generation of digital tape re-

machines but able to store high-definition video images.

While the most sought-after commercial applications for short-wavelength lasers are in the area of digital storage, there are a wide range of other practical uses, ranging from laser prioters with twice as much resolution as today's bestquality products to a new class of household lighting that could be two to 10 times more energy-efficient than today's fluorescent and incandescent lightbulbs.

The oext barrier will be reducing the cost of producing the lasers and devising technical standards that will provide compatibility with existing applications.

Mr. Nakamura first burst onto the scientific stage in November 1993 when Nichia anoounced that he had succeeded in fabricating a bright blue light-emitting diode, another kind of widely used light source. His advance came just two years after IBM decided to scale back its effort in laser research.

On Monday, IBM researchers said they were impressed by the Nichia achievement. "I'd call it a piece of technical work that is absolutely remarkable, and it stands on its

own," said Bill Lenth, manager of science and technology at the IBM Almaden research laboratory in San Jose, California.

### To Survive, Japan Banks Plan Merger

Compiled by Our Staff From Deparels

TOKYO - Mitsui Trust & Banking Co. and Chuo Trust & Banking Co. agreed Tuesday to a 304.4 bil-lion yen (\$2.7 billion) merger, a move they said would enable them to cut costs and survive a shakeout in the Japanese financial industry.

After the merger, the new bank, to be called Chuo Mitsui Trust & Banking Co., will be the top Japanese trust bank, with combined outstanding assets on trust accounts of 45.6 trillion

yen and 170 branch offices. Uoder the deal, one Mitsui Trust share will be worth 0.3 Chuo Trust shares, the banks said, giving Chuo Trust the upper hand in the deal. The president of the new bank will be from.Chuo Trust and its chairman, a less powerful position, will be from

Mitsui Trust. The banks said they expected to save 40 billion yen in annual costs, in part by cutting 2,000 jobs, or a fifth of their combined work force.

Financial sector deregulation has broken down the barriers between the roles of different Japanese financial institutions, bringing on tougher competition. Many banks are expected to either consolidate or close.

'Many trust banks are being forced to take drastic action as the significance of their trust banking business is disappearing after the barriers dividing financial insututions are lowered because of Big Bang," said Junji Ota of Okasan Research Institute.

Sbozo Endo, president of Chuo They expanded rapidly and were Trust, put it more bluotly: "I don't care how many banks survive. I'm only interested that we survive." Mitsui Trust is by far the larger of

erage economic growth of 9 percent the two banks and ranks as the thirdlargest of Japanese trust banks. which are in charge of managing peosion funds.

The merger puts pressure on the five remaining trust banks, including the biggest, Mitsubishi Trust & term borrowings to pay long-term Banking Corp., to restructure their own businesses to remain compet-itive. (Bloomberg, AFP)



#### Very briefly:

• Nissan Motor Co. is prepared to let a foreign rival take a controlling stake, the company president. Yoshikazu Hanawa. said. The willingness to cede control would make the No. 2 Japanese carmaker more attractive to Renault SA and DaimlerChrysler AG, which are seeking to invest in Asia.

 China will limit production and imports of iron and steel to belp the domestic industry, which has been plagued with oversupply and price drops, according to the official Xinhua

· China Southern Airlines Co., one of China's biggest carriers, will post its first annual loss in two decades amid slumping demand and rising competition. The company also said the strengthening yen was increasing its debt costs.

 Hong Koog Telecommunications Ltd. said it had \$0,000 video-on-demand customers and 20,000 waiting to be conoected, almost one year after introducion the service.

• ITC Ltd.'s third-quarter profit rose 16 percent, to 1.36 billion rupees (\$32 million), on stronger sales of its higherpriced cigarette brands. Sales before excise duties fell 4 percent, to 8.38 billion rupees, as rising vegetable prices crimped demand for inexpensive cigarettes. ITC controls 70 percent of the \$2 billion Indian market.

 Mahanagar Telephone Nigam Ltd. of India postponed until Jan. 29 a decision on whether to buy back 30 million

The marginal symbols indicate frequency of quotations supplied: (d) - daily, (n 1 - weeks; (b) - bl-monathy; (f) - fortnightly; (r) - regularly; (l) tarics weekly; (m) - monthly; (i) - hance monthly

# China's Debt Crisis Ripples Beyond Guangdong

SHANGHAI — China's financial strains appeared to be rippling through the ecocomy Tuesday as more firms struggled to repay debts Hubei International Trust & Investand avert bankruptcy.
Guangdong Overseas Chinese

Trust & Investment Corp., a medium-sized trust firm, said it was talking with foreign banks after failing to repay a \$50 million syndicated loan, but it denied it was in default.

based in the southern province of Guangdong to report debt problems ince China shut the much bigger Guangdong International Trust & Investment Corp. in October.

But the debt troubles now have spread beyood southern China.

\* \* = - .- : \*\*1.10.

company owned by Hubei Province after a court formally accepted — known as "lics" from their oso-filed for liquidation in Hong Koog Guangdong International's bank-al designation as international trust courts Tuesday. Yi F Trading Co., ruptcy filing Saturday, underscores and investment companies — were an import-export concern owned by ment Corp., hired Ernst & Young LLP on Jan, 12 to be its provisional liquidator, said Bachely Sou, the partner in charge of the liquidation.

Separately, Dalian International Trust & Investment Corp., an arm of the local government in the oorthern It is one of a series of companies city of Dalian, said it had missed payments on some loans to foreign creditors.

> finance department, who gave his name only as Zhang, declined to comment on the total amount of the company's ootstanding debt.
>
> Dalian's payment delay, just days

An executive in the company's

Guangdong International's bank- al designation as international trust ruptcy filing Saturday, underscores and investment companies — were the growing concern over loans to launched in the late 1970s to bypass investment companies across China. the country's banking system and

Three Hong Kong banks — Bank allow local governments easier ac-of East Asia Ltd., Dao Heng Bank cess to investment. and International Bank of Asia said they would write off all of their soon, according to the government, more than \$245 million of dehts to part of the reason for China's av-Guangdong International.

Analysts said the write-offs would annually over the past two decades. savage 1998 profits at the banks, By the 1990s, the country had nearly which also face rising loan defaults in 240 such companies. Hong Kong, a city battling its deepest recession in a generation. And with the other Chinese investment companies that are missing loan payments or filing for bankruptcy, few see

things improving soon.

But as economies across Asia slipped into recession in 1997 and banks tightened or halted lending. the Itics, which often used short-

debt, began to have trouble making

China's investment companies ends meet. (Reuters. Bloomberg) The Hong Kong-based trading shares from the government, Advertisement January 19, 1999 INTERNATIONAL FUNDS To receive free daily quotations for your http://www.iht.com/HT/FUN/fe Katy Houri: Fax (33-1) 41 43 92 12 or e-mail: fu UBP G.(USD/VEN) LM CLF UBP G.Russon Y.Sprood CIA 112 MERRILL LYNCH BANK (SUISSE) S.A 74 UNION BANCAIRE ASSET MG Europeatier Corp.
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## Herald Eribune PORTS

#### **England Is Back In**

CRICKET England was reinstated to the Five Nations rugby union championship oo Tuesday, a day after it was expelled in a squabble over television rights.

The English Rughy Football Union finally agreed to abide by a 10year accord on TV rights after a series of meetings with the Five Nacons Committee.

The Committee had expelled England on Monday, believing the RFU had reneged on the deal negoulated two years ago in which the English agreed to release some of the £87 million (\$143 million) it gained from BSkyB to three other competing oarions, Scotland, Wales and Ireland, France nego-

tiates its own deal.

The RFU argued that the 1996 deal should be renegotiated in the light of the fact that Italy will join the competition next year season to make it a Six Nations tournament.

The RFU chairman, Brian Baister, and the former England captain Bill Beaumont met the Five Narions Comminee chairman, Allan Hosie, in Glasgow on Tuesday and eventually came up with an agreement that allowed England hack in.

• The Italy center Ivan Francescato, the youngest soo of the country's greatest rugby family, died early Tuesday of a sudden and mysterious illness. The 31-year-old Benetton Treviso player died shortly after returning home after a night out with friends. (Reuters)

#### Ravens Hire New Coach

FOOTBALL Brian Billick, the offensive coordinator of the Minnesota Vikings, was hired as head coach of the Baltimore Ravens on Tuesday. Billick replaces Ted Marchibroda, who was fired after the Ravens finished at 6-10. (AP)

#### A 4th Victory for English

CRICKET Darren Gough took four wickets in 21 halls Tuesday in Melbourne as England won its fourth victory in five matches in the limited-overs tri-series tournament and handed Sri Lanka, the world champion, its third loss in a row. England easily passed Sri Lanka's total of 186, achieving victory in the 46th over with seven wickets in hand thanks to an unbeaten 66 from Graeme Hick.

 New Zealand, paced by Chris Cairns and his rapid-fire century, beat India by 70 runs Tuesday in the fifth and final limited-overs cricket match in Christchurch. The victory leveled the series at 2-2, after the third match in the series was abandoned because of rain.

#### Good Thinking

**ACROSS** 

"Lydia" poet

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BASKETBALL The Detroit Pistoo rookie Bonzi Wells, on Michael Jordan's retirement: "I would have liked to play against him, hut I think this saves me a lot of embarrassment."

# WORLD ROUNDUP Australia Teen's Victory Delights Home Crowd

Costa and Moya Join Spaniards' Exodus

By Christopher Clarey International Herold Tribune

MELBOURNE — Take a stroll aloog the concrete paths at Melbourne Park, and you will eventually enter a long, narrow tent lined with bronze busts.

It is a temporary monument to the former heroes of Australian tennis, and there are an ahundance of them: from Sir Norman Brookes io his cap to Lew Hoad with his Gatshyesque part in the hair to John Newcombe with his drooping mustache.

In the late 1980s and early 1990s, Australians would have walked through

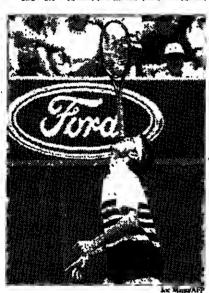
AUSTRALIAN OPEN

such a display and felt a hit like Athenians when they stare at the huildings on the Acropolis. The more imposing the past, the more difficult it is to accept a more pedestrian present.

But tennis is oo the rise again in this country, as the record crowds coursing through the turnstiles and hovering around the husts this week can confirm. And the way the 17-year-old wild card entry Lleyton Hewitt played Tuesday night on his way to upsetting No. 13 seed Cedric Pioline of France in the first round of the Australian Open will do

oothing but increase the enthusiasm.
With his baggy clothes, slight frame and still-clearing complexion, Hewitt looks more like a young man who belongs on a skateboard than on Centre Court at a Grand Slam event. But anyone who watched his perfectly disguised lobs and bold passing shots and returns against Pioline could see that the teeoager was in his element, flirting with that state of grace tennis players call "the zone. "I think that's the best match I've

ever played," Hewitt said. It did not take long for Pioline to reap the whirlwind. Hewitt would win, 6-3, 6-1, 6-1, and when it ended, he was hearing the sort of teenage shrieks usually reserved for his elder countryman Patrick Rafter, the two-time U.S. Open



Fernando Meligeni of Brazil had balance, but lost to Todd Martin.

**CROSSWORD** 

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55 Lost

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13 Sticky-tongued

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54 What "I love" in B

puzzie's theme

50 Footnote abb

55 Goes postal

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Berlin song

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List

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Sydney, and last year, in becoming the youngest player in 10 years to win an ATP event, he defeated Andre Agassi. That victory occurred in Hewitt's hometown of Adelaide in southern Australia. and for the moment, he seems to save his best tennis for this hemisphere. Though he struggled for much of last season, he reached the final again in Adelaide two weeks ago and the quarterfinals in

Now, he has his first victory in a Grand Slam event, and it came against a player who has already reached two Grand Slam finals.

"He's obviously a guy who feeds off the home crowd," said Pioline, who was more grudging than gracious in defeat. "I think he did just about everythiog he wanted to do out there."

Two other men's seeds were also defeated Tuesday. The first to fall was No. 12 Albert Costa, beaten by Martin Damm of the Czech Republic in five sets. The second to fall was No. 4 Carlos Moya, beateo hy Nicolas Kiefer of Germany in four. Costa and Moya are both Spaniards,

and it has been a forgettable 48 hours for Spaniards in Melbourne. There were 14 in the draw when pley began, and now only two remain: Julian Alooso and the No. 2 seed Alex Corretja, who came perilously close to losing on Monday to Takao Suzuki of Japan.
. Moya, at least, had a fine excuse. He

was still recovering from a virus he caught in the first week of January in Perth that kept him in bed for several days. He made oumerous errors, failed to capitalize on short balls from Kiefer and bore little resemblance to the player who won the French Open last year and reached the semifinals of the U.S.

"If I don't have confidence on the baseline, why am I going to have con-fideoce at the net?" he said when asked about his lack of aggressiveness.

The No. 10 seed Yevgeni Kafelnikov lacked for little in a particularly impressive straight-set victory over Jonas Bjorkman of Sweden. Andre Agassi, seeded fifth here, was

also very sharp, overwhelming the potentially dangerous Hernan Gumy of Argentina, 6-0, 6-3, 6-0.

Kafelnikov and Agassi are now the players to watch in the top half of the men's draw along with Todd Marie men's draw, along with Todd Martin,

who needed five sets to defeat Fernando Meligeni of Brazil. The No. 2 Martina Hingis, the No. 5 Monica Seles and the No. 10 Steffi Graf also advanced with ease in the women's event. So did Anna Kournikova, the

No. 12, hut it was anything but easy. Since autumn, the young starlet in a hurry has had the tennis equivalent of vips. It began when she lost her thythm and nerve in the midst of a threeset loss to Hingis in Filderstadt. After winning the first set, 6-1, she served 14 double faults in the last two sets of that indoor match and her coach, Pavel Slozil, explained with a twinkle in his eye that "it must have been hecause of the

The double faults are no longer a joking matter. In her last five matches coming into her encounter Tuesday with



Anna Kouroikova of Russia, who won Tuesday despite 23 double faults.

the American journeywoman Jill Craybas, she had served a total of 93: as many as some players serve in six

And though Kournikova walked onto Court One with her customary composure - shoulders thrust back and loog ponytail in perfect order - she was soon glancing oervously and angrily at il and her mother, Alla, as her second

serves continued to go awry. Some sailed well long. Some sailed well wide. Some struck the oct, and others bounced long before they even struck the net. She served 17 double faults in the

opening set alone and finished the match. with 23, losing her serve eight times in 13 tries. The remarkable thing was that she still managed to win, 7-6 (7-1), 7-5.

For the moment, there is no hroom-

handled racquet to turn to, so Kour-nikova must simply muddle through and try to ignore the inevitable reactions in the stands.

When she trailed 3-2 early in the second set, a fan shouted, "Hey Anna Serve us a double fault!" Other fans hooed at the heckler and another one shouted, "'Don't listen to him, Anna!' "It is half mental, half technical."

Kournikova said. "But it's not like a huge problem. When you have a mistake on the forehand, nobody notices, percentage of serves, everybody talks about it.

Shortly after Kournikova walked off Galo Blanco in his first match in defense of his title. Despite the controversy surrounding his positive test for the steroid nandrolone, he was not greeted as a pariah. When his name was announced, there were scartered cheers, not boos or

Several players, including the American Jim Courier and the Austrian Thomas Muster, have said they believe Korda should not be playing in Mel-

Korda very nearly obliged them before finally defeating Blanco, 6-3, 6-7 (1-7), 6-4, 6-7 (4-7), 6-2.

In the third set, with Korda leading 4-3 and Blanco serving at deuce, Korda hit a forehand while moving forward near the haseline and twisted his left ankle. He fell to the court and then asked for an injury timeout and had his ankle. vrapped by a trainer.
"I said to the trainer: "I'm not going

to give up. I'll be on the court until the last ball," Korda said. Korda would win the third set, but the

last ball was still a long way away. When he finally won the last point. after 3 hours, 45 minutes, he walked toward the net to shake the hand of the man he had just beaten in five sets. But Blanco had other plans. The only hand he wanted to shake was the chair umpire's. That accomplished, he walked to his chair, loaded up his racker bag and walked off court.

"That never happened to me before," Korda said of the snub.

Blanco said his decision had nothing to do with Korda's positive drug test. He was angry because he believed Korda xaggerated the severity of his in-"I felt I couldn't trust him, so I didn't want to shake his hand," Blanco said. "For someone to ask for the trainer Court One; Petr Korda walked on to face and then run the way he ran does not

make any sense.' Korda, who has been defending himself ever since he arrived in Australia, defended himself again. "I was just purely fighting the best I could to stay alive in the match," he said. "My ankle is sore and swollen."

# Courier Has Suspicions On Drugs

By Christopher Clarey International Herald Tribune

MELBOURNE - Jim Courier said Tuesday after winning his first-round metch et the Australian Open that he believed the higgest drug problem in tennis was not the sort of steroids that were found in Petr Korda's body hut the use of endurance-boosting substances like EPO, the substance that was at the heart of the Tour de France scandal last

July, "I don't think strength is the answer in tennis," Courier said, "I mean, it's a in tennis," Courier said, "I mean, it's a component for sure, but if brute strength. were the answer we would all be weightlifters in the locker room, which is not the case.

Steroids definitely have a place in coming back from injuries. They definitely increase your capacity to train. But I'm much more inclined to have concern for something we cannot test for

under the current system of testing."

Courier added: "I can't name names, hot I see a lot of guys playing a lot of weeks in a row and jumping around fresh and crazy and knowing that it's undetectable in currents." undetectable in our tests. I'd say there's too much money at stake for people not to be taking advantage."

Courier said he found it particularly

suspicious that players were able to keep playing week after week on clay.

'I hope it's not the case that these drugs are widespread," he said. "I hope the guys are better athletes than I am and are able to push their bodies on a week to. week basis. But I know what I'm cupable of and I know what I push my body to do, and I just don't see a lot of as humanly possible. On clay, every match is a war, and they are playing every week and winning, 6-2, 6-2, in two hours. How do you keep doing that and stay fresh?"

There is now no reliable test for EPO. the artificial hormone that increases the flow of oxygen to muscles, but skiers. and cyclists now undergo frequent blood testing before competition to determine their red blood cell counts.

In cases where those counts exceed a: pre-established level, they are not allowed to race. According to Todd Martin, the ATP. Tour is considering using blood testing.

as a complement but not a replacement, for urinalysis. But Martin and several other players. distanced themselves from Courier's

speculative comments about the prewhich involves the removal and reinjection of blood into an athlete. "I have absolutely no knowledge of anyone blood doping whatsoever, and m darned sure I'm not going to find. myself sitting in a position where I

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speculate on such an intense and serious matter," Andre Agassi said. "When it comes to the health of tennis, we don'tneed guesses. Thomas Muster, who like Agassi and Courier was once ranked No. 1. said: "I think we are pretty much on the edge of

destroying the sport hy making com-

ments like that. If you doo't have proof,.

you shouldn't say things like this.

### SCOREBOARD ICEHOCKEY W L T PIS GF GA 22 19 3 47 130 118 16 15 9 41 107 100 15 24 4 34 98 139 12 25 7 31 94 138 NHL STANDINGS NORTHWEST DWISSON W L T PIS GF GA 20 19 4 44 105 107 18 10 4 42 123 113 x 15 23 6 36 114 131 14 26 4 32 107 134 CIPIC DIVISION PIL GF GA 27 8 7 61 123 83 23 11 6 52 104 82 17 18 8 42 107 101 15 18 11 41 101 103 16 22 4 36 100 113 W L T Pts 6F GA 25 16 3 53 142 127 23 12 7 53 118 84 23 14 6 52 128 99

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Date.
New Jersey 0 1 0-1
San Jess 1 1 1-3
First Period: S.J.-Friesen 12 (Sturn-Houlder) (pp). Second Period: N.J.-Roiston 12 (Modden) (pp). 3. S.J.-Marleau 6 (Lewry, Nolan) Third Period: S.J.-Marleau 4 (Stern-Ricci) Sheb en gooth N.J.-813-13-34, S.J.-9-5-10-24. Gootles: N.J.-Bradeur. S.J.-Vernon. Vernon.
Washington 0 2 1 0-4
Montreal 2 2 8 0-4
First Period: M-Guintol 5 (Recchi,
Rudinsky) 2 M-Weinrich 4 (Rudinsky,
Camphousse) Second Period: W-Miller 2
(Wilt, Berube) 4 M-Savage 10 (Kairu,
Malakhov) (pp). 5 W-,
Black Niller 2 W-Goncher 8
Illiork Niller 2 10 1 7 M-Malakhov 1

Nikoūshin) (pp). Overtime: None. Shots on godi: W- 7-14-7-Q-28. M- 13-9-4-4-30. Gealles: W-Kotrig, Taborocci. M-Hackett. Terenja: Carolina 2 2 0-4
First Period: T-Sundin 15 (Thomas.
Modin) 2 Carolina, Gelinas 6 (Primeau.
Shepparo) 3, Carolina, Kaponen 13 (Francis.
Roberts) Second Period: T-Thomas 16
(Sullivan, Berard) (pp.), 5, Carolina, Roberts 8
(Kaponen, Francis) 6, Carolina, Roberts 8
(Kaponen, Francis) 16, Tarolina, Roberts 9
(Francis, Halko) Third Period: None, Shabs
on gent: T-11-11-9-31, Carolina 10-8-8-26.
Gealles: T-Joseph, Carolina, Irise.
Pittsburgh
Anahelm 1 1 2-5

on gent: T- 11-11-9-31. Carolina 10-8-9-26.
Goalles: T- Joseph. Carolina, Irise.
9 0 3-2
Anchelm 1 1 3-5
First Period: A-Olousson 10 (Selanse, Grean) (pp), Second Period: A-McInnis 11
(Kartya, Olousson) (pp). Third Period: A-Sandstrom 6 (Selanne) 4. A-McInnis 12
(Cullen) 5. P-Tilor 6 (Strata, Harcher) 6, P-Stroka 20 (Tiboy, Harcher) (pp), 7, P-Stroka 20 (Tiboy, Harcher) (pp), 7, P-Stroka 21 (Tiboy 8, A-Kartya 18 (Selanne) (en), Shofa on goal: P- 13-15-19-47, A-8-9-12-29, Goalles: P-Barresso. A-Hebert.

ONew York Times/Edited by Will Short

Ser our

Friendships

every Saturday

in The Intermarket

Dollas 2 0 1—3
First Period: D-Vertbeek 11 Officac
Marshall) (pp). 2 V-Naskund 23 (Gogner,
Mackeli) (pp). 3. D- Hull 1S (Modone,
Sydor) (pp). 4 V-Muckeli 14 (Gogner,
Naskund) Second Period: V-Klatt 3 (Mustyn,
York) 6 V-Magliny 5 (Aucoin, Messier) (pp).
Third Period: V-Messier 13 (Mogliny,
Bertuczi) 8. D-Ludwig 2 (Keame, Vertbeel)
Shots on goal: V-10-11-2-23. D-6-6-9-21.
Geoffics: V-Snow. D-Bettour.
Philiodelphic2 1 2—5
Office

Pillibouganet — 4 I 0—6
First Period: P-Huil 2 (Forbes) 2, PLindros 25 (L.eCloir, Therier) Second Period:
P-McGillis 6 (Brind Amour, Desjardins) (pp).
Third Period: P-Longkow 6 (Dykhuis, Huil).
5, P-Desjardins 8 (Lindros) Shots or goat: P10-8-10—28. D. 8-19-9-36. Goalles: Plandbashushust. 0.Bhodes.

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2 B-Sanderson 0 (Ray, Primetru) Second
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(Zhifmik, Hatringer) (pp), Third Peried:
None, Shets en gaet; B-11-15-13-39, F-108-15-33. Goalies: B-Hanek, F-Burke,

BASKETBALL U.S. COLLEGE SCORES

MEN TOP 28 No. 19. Kansas (13-1) def. Texas 76-67. No. 28. Syrocuse 112-5) last to Rutgers 74-71. LEADING COLLEGES

Penn 66, \$1, Joseph 3 58 Sleng 66, Rider 64, OT Yole 77, Swarttanore 48 Charleston Southern 72, Liberty 67 Charleston Southern 72 Library of Coll. of Charleston 70. Charleston 66 East Carolina 60. George Masson 58 George Southern 51, Furman 49 Old Deminion 77, Richmond 65 The Citacle 70. Davidson 60 VAIL 58, Wolford 56 vyu. 30. worraru 30 S., litinois 69. Deuke 52 Wichita St. 94, SW Missouri St. 88. Wis, Green Boy 68, Layola, 18. 55 Utah 60. Howaii 46

TOP 2.5 No. 2 Cont. (15-2) tota No. 4 Lt. Tech (14-2) 50-76. No. 3 Persons (14-1) def. Ulimois 71-60. No. 5 Georgia (14-1) def. Ga. Tech 88-82. No. 7 N.C. (19-2) def. No. 19 Vo. (11-2) 79-68. No. 24 Tolone (15-2) def. DePaul 81-72.

CRICKET TRIANGULAR SERVES

ENGLAND VS. SPI LANKA
TUESDAY M MELBOURNE. AUSTRALIA
SI Lanks: 186 from 50 overs.
England: 199-3 from 52 overs.
England won by soven wickels.
STANDBROOM: England 8 points: Australia
STANDBROOM: England 8 points: Australia

TUESDAY IN CHRISTCHINGS, NEW ZEALAND New Zealand: 300 for eight in 50 evers, India 700 in 45 9 FEFTH ONE-DAY INTERNATIONAL Dec 230 in 45.3 overs. Zectional was 70 nms. Series fied at 2-2.

#### GOLF RYDER CUP

1. David Duval. 762,500 2. Mark O'Megra, 737,500 2. Mark Orwesto 737,300 3. Jinn Furyk, 515,500 4. Tiger Woods, 506,875 5. Davis Love 3d, 477,500 8. Steve Stricker, 412,500 7. Fred Couples, 367,500 9. Phil Mickelson, 331,250 10. Jeff Skirnen, 315,417

EUROPE
1. Colin Montgamerie. Scotland, S.
2. Darren Carte. N. Ireland, 3.291
3. Miguel Angel Jinvenez. Spain. 2.
4. Svan Struver, Germany, 2.165
5. Lee Westwood. England. 1,960
6. Robert Kartsson, Sweden, 1,946
7. Andrew Collant, Scotland. 1,632
8. Jamno Sanderin. Sweden. 1,545 8. Jarma Sandelia, Sweden, 1,54 9. Patrik Sjoland, Sweden, 1,578 10. Steven Webster, England, 1, 11. Pierre Fulke, Sweden, 1,083 2. Gerden Brand, Jr., Scott 13. Alex Celka. Germany, 983
14. Per-Ulrik Johansson. Sweden
15. Sam Tomance, Scatland, 945

FUROPE

SOCCER

Aston Villa 3. Everton 0 STANDSHOES Chelses 43 points; Aston Villa 43; Manchester United 41; Assemi 39; Leeds United 36; Liverpool 35; Wimbiedon 34: West How United 32: Middle Derby County 31; Tottenham Note Leicester City 29; Shaffleid Weckes Naversitie United 25: Everyon 24: Blockb

> TENNIS AUSTRALIAN OPEN

MONDAY IN MELBOUR MINOS SERSE POUM Jim Courier, U.S., def. Poter Wessels, Neitz-6-3, 6-2, 7-6 (7-0): Gailloume Rooux, France, def. Afberto Martin, Spain, 6-2, 7-5, 6-4.

Tommy Hoos, Germany, def. Michael Kohleam, Germany, 7-6(7-5), 6-2, 7-5; Wayne Block, Zimbobwe, def. Addian Voince, Romania, 6-2, 6-4, 6-1. Julian Alonso, Spoin, def. Sebastien Lixeau, Canada, 6-3, 6-4, 6-2; Todd Martin; (15), U.S., def. Fernando Meligani, Brazil, 3-6, 4-6, 6-3, 6-4, 6-1.

6-3, 6-4, 6-1. Younes Ei Aynacut Marocco, def. Felix Mardillo. Spoin 6-7 (0-7), 7-6, (7-1), 6-3, 3-4, 6-4; Mardia Damm. Czech Republic, def. Albert Costo (12). Sport. 4-4, 4-5, 6-4, 6-4.
Lionel Roux. Franco. def. Albert Portos,
Spots. 6-3, 6-1, 6-2; Andre Agosal (3). U.S.
del. Harvas Gurry, Argentina. 6-1, 6-3, 6-1,
Jason Stalenburg, Justralia. del. Fredrik
Jorason, Sweden, 6-3, 7-6 (8-6), 6-4; Petr Korda, Czech Republic def. Galo Blanca. Spain, 6-3, 6-7 (1-7), 6-4, 6-7 (4-7), 6-2. Amount Clement, France, def. Steve Compbet, United States 4-6, 6-2, 6-4, 6-4; Paul Goldstein, U.S., def. Kenneth Carlson, Den-

Goldstein, U.S., def. Kenneth Cartson, Denmark, 2-6, 6-3, 6-0, 6-2.
Andral Mechaeler, Ukraine, def. Justin Bower, South Airica, 7-6 (7-0), 6-1, 3-6, 6-3; Vincent Spadea, U.S., del. Ramon Delgada, Paraguay, 6-7 (7-5), 6-3, 6-2, 6-0.
Fobitae Santon, Franca def. David Caldwell, U.S., 6-2, 6-4, 6-4; Franca Squillari, Angentina, def. Lans Burgsmuller, Germany, 7-6 (11-9), 6-4, 6-4.
David Medica, Canada, def. Vindings. Doniel Nestos Canada, def. Vladimir Voltcikar, Belgrus, 6-3, 6-7 (7-5), 6-1, 7-6 (11-

9); Yevgerry Kafelnikov, Russia, (10) Jonas Bjorkman, Sweden, 6-3, 6-2, 6-4 Hendrik Dryekmann, Germany, def. ( Hendrik Dryekunonn, Germany, def. Carlos Casta. Spain. 6-2; 2-4, 6-4, 4-3; Andrei Pavel. Romania. def. Jovier Sanchez. Spain. 7-6 (7-5), 6-2; 4-4, 6-4. Stephone Huet, Franca. def. Amjaud di Pasquole, Franca. 1-6, 6-3, 6-2, 7-5; Caci Mismit, U.S., def. Stefan Koubek. Austria, 6-Marinit, U.S., (pst. 3 lentin) houses of control of 4 6-3 6-2. Jih Novek, Czech Repiublic def. Francisco Claret Spola, 6-3, 6-4, 6-3; Greg Rusedsid (8), British, def. Scott Droper, Australia, 7-6 (7-3),

Britans, Sa. 2-4, 7-6 (7-5). 2-6, 6-4, 7-6 (7-5). Sjeng Schalken. Netherlands, def. Thomas Muster, Austrian. 2-6, 6-3, 6-3, 6-3; Slava Muster, Austrian. 2-6, 6-3, 6-3, 6-3; Slava Dosedel, Czech republic Romania, 6-4, 6-3, 6-3, Sargis Sargistin, Armenia, del Jan Siemerinit, Netherlands, 6-4, 3-6, 6-2, 6-3; Gi-antuca Pezzi Italy, del Oscar Serrana, Spain, 3-6, 6-3, 7-6 (8-6), 6-3.

Nicolas Kiefer: Germany, del. Corlos Maya (A). Spain. 6-7 (7-9). 6-4, 7-6 (8-6). 6-2; Lieyton Hewitt, Australia, del. Cedric Pialion 113), Franco 6-3, 6-1, 6-1. WOMEN'S FREST ROU Kristina Brandl U.S., def. Amelie Cochet-us. Fractor 6-1, 6-1; Serena Williams. U.S., ef. Ratuca Sandu, Romania, 4-2, 6-3,

Janet Lee, Talpal, def. Lenka Nemeckova Crech R. 6-0, 6-2: Jelena Doldc, Australia def. Elena Makarova, Russia, 6-3, 5-7, 6-4 Barbaro Schett, Austria, def. Jona Kandan my, 6-4, 6-0; Elemo Dementievo, Ros cernany, 6-4, ort. ciento Demeracea, Ros-sia del Gloria Pizzichini, Italy, 6-3, 6-4. Samantha Reenes, U.S., del. Flora Perfetti, Italy, 7-5, 6-3; Anne Kremes, Luxembourg, del. Caffrerine Barciay, Australia, 6-3, 6-2. Mary Joe. Fermandez. U.S., del. Lapus Golorsa, Italy 6-1, 6-0; Martina Hingis (2), Switz, del. Lilia Osteriot, U.S., 6-1, 6-2. Alha Soeki, Lapus, del Surper, Learnesolan. Miho Saeld, Japan, del. Sanya Jepaseelan, Conada, 6-3, 6-0; Mary Pierca (7), France, del. Cindy Walson, Australia, 6-2, 6-1. Magul Serna, Spoin, del. Saroh Pilkowski,

Magui Serma, Spank, def. Sarah Pilkawski, France, 6-4, 7-6 (7-2); Fang Li. China, def. Rita Kuti Kis, Hungary, 7-3, 6-4, Rita Grande, Haby, def. Tathiana Garbin, 1907, 6-7 (3-7), 6-8, 9-7, 19-8, 19-9, 19-Amy Frazier, ILS., def. Al augrymm.

Amy Frazier, ILS., def. Al augrymm.

pon. 6-3, 4-6, 6-6; Sobhre Appelmons, Baig., def. Concillo Morfinez Granodos, 6-0, 6-2.

Sondrine Testud (14), France, def. Toro Snyder, U.S., 6-3, 6-2; Adrison Zerro-Zanett, italy, def. Martono Okaz-Otiva, Arg. 6-1, 6-2.

Alexia Dechuma-Bollerel, France, def.

Dealiss Chiceltovic, Credi Republic, 6-4, 6-2; def. Mechann

Denisa Chiadkovi. Czech Republic, 6-4, 6-2;
Barbara Schwartz, Austria, del. Meghann
Shaughnessy, U.S., 6-2, 6-2.
Ets Callens, Belgium, del. Wang Shi-Ting,
Talwan, 6-2, 6-3; Andrea Glass, Germany,
del. Siria Farina, Bay, 4-6, 7-5, 6-4.
Amunda Castar (16), South Africa, def.
Sandra Kleinova, Czech Republic, 6-4, 2-6, 7.
5: Virginia Ruma Pascual, Spoin, def. Radka

oba, Czech Republic, 6-0, 6-3 Julie Hakard-Decugis, France, aut. Rhout. Mollie Australia, 6-4 3-6 6-3: Elene Likhout. sevo. Rus., def. Nana Myaqu, Jap. 6-2, 6-2 Transport Julie Holard-Decuals, France, del. Alicia Tationa Panova. Russia. def. Taniana Tanasugam. Thalland, 7-5, 7-6 (7-4): Steffi Grof (10), Germany. def. Paola Suarez. Argentino, 6-0, 6-3, Manica Seles (6), def. Tino Krtzon, Slov-

enia, 6-1, 6-GAnno Koumikova, Russia (12), def. Jili Croybos, U.S., 7-6 (7-1), 7-5.

#### TRANSITIONS

BASEBALL MAJOR LEAGUE BARERAL AMERICAN LEAGUE
ANAMEIM—Agreed to terms with RHP
Mork Petkovsek on 1-year contract. BOSTON Agreed to ferms with OF Damo CHICAGO WHITE SOX—Agreed to lenns with

RHP Bill Simos on 1-year contract TEXAS—Agreed to terms with RHP Rick Helding on 3-year contract and RHP Joe Hud-son on minor league contract. Named Ray Colley as a West Coast scout. Care and 3B Willie Greene on 1-year con-

NATIONAL LEAGUE HOUSTON Agreed to terms with RHP lose Lima on 1-year contract. N.Y. METS—Agreed to terms with RHP Hidea Namo on 1-year contract. ST. Louis-Agreed to terms with RHP Ricky Bottalics on 1-year contract 0—5 igned C Scalt Servats to 1

BASKETGALL NATIONAL BASKETBALL ASSOCIATION GETOOTT—Nomed George Irvine ossistent

MATIONAL POOTBALL LEAGUE

M.Y. JETS—Signed WR Arion Mussa. WR
Chris Bruzzell, RB Robert Former, TE
Lowrence Hort. DT Geno Bell. RB Odell
Collins and TE Johany Mischell, Re-signed
Bill Belichick, assistant bead coach, Mourice
Corthen, remaing backs coach, Romed Cremel, detensive line coach, Al Grah, limebackers coach. Dan Herming, quarterbacks
coach, Todd Holley, offensive assistant
coach, Pat Hodgson, light ends coach, Lota coach, Pol Hadgson, light ends coach, John Lait strength and conditioning coach. Eric Mangini, detersive assistant coach, 200 Mair, offensive line coach, Mike Sweatmon, special teams coach and Charlie Wels, of fensive coordinator. Restructured contracts of RA Curtis Martin and C Kevin Mawae.

h feam as scout, NATIONAL HOCKEY LEAGUE N.Y. ISLANDERS—Acquired C Croig Jonney

ST. LOUIS -Announced retirement of wide

its, AHL. Sent G Francis Lariveo to St.

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# **IOC Scandal Claims First Casualty**

## Finnish Member Quits as Ex-Husband's Salt Lake City Link Emerges

By William Drozdiak Washington Post Service

LAUSANNE, Switzerland - The International Olympic Committee suffered its first casualty from the bribery scandal surrounding the 2002 Winter Games in Jalt Lake City when a Finnish member resigned Tuesday in the wake of charges that her former husband was employed by the organizing committee.

Pirjo Haeggman, a physical education teacher and former Olympic sprint-er, told the IOC president, Juan Antonio Samaranch, that she was withdrawing from the committee even before an investigation had completed its review of whether some members had violated their oaths by taking favors from Salt Lake and possibly other cities seeking to stage the Olympics

Haegeman said she was stepping down to put an end to her cootroversy but denied that she had broken IOC rules, which insist that members keep themselves from free from any political or commercial influence.

Her resignation was immediately accepted by Samaranch, who thanked her for her services to the Olympic move-



Pirjo Haeggman of Finland denied

Salt Lake City promoters. The IOC's executive board will review the charges at a special meeting here this weekend and decide which cases may warrant expulsion from the 114-member com-

IOC officials said all of the accused had responded to letters seeking explanations for their behavior. They will have the chance to appear personally before the executive board Saturday to give their version of events before final judgments are made public Sunday night. .

Haeggman said she was not aware that her former husband, Bjarne, worked for a short time as an environmental consultant with the Salt Lake organizing committee. But when they were still married nine years ago, he also accepted a government forestry job in Canada, and the couple lived in free housing for 20 months in a deal arranged by people involved with the bid by Toronto to hold the 1996 Summer Games.

As the biggest corruption scandal in Olympie history gathers momentum, the IOC has expanded its investigation beyond Salt Lake and urged other cities involved in bidding for the Games to step forward with any hard evidence of ethical behavior by its members.

Two of the more powerful figures among the I3 accused of wrongdoing hit back Tuesday, saying the charges against them were politically motivated by their IOC foes.

Kim Uo Yong of South Korea, an IOC executive board member, denied bribery allegations and said they were being spread by those who wished to block his announced intention to succeed Samaranch as IOC president when he steps down after reaching the mandatory re-tirement age of 80 within two years.

Vitali Smirnov, the head of Russia's Olympie Committee, said he was oot guilty of any illicit dealings after being asked to clarify two contacts with the Salt Lake organizers. He said one charge involved his effort to get urgent medical that she had violated IOC rules. treatment in Salt Lake for a Russian ice

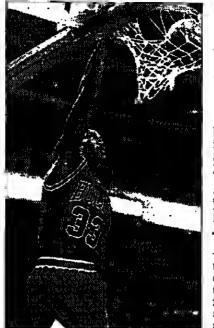
Haeggman is one of 13 IOC members accused of accepting cash, medical care, scholarships and other goods and services worth more than \$600,000 from ports that his son's education had been financed by Salt Lake advocates.

Samaranch Took Nagano Gift

Backers of Nagano's bid for the Winter Olympics gave Samaranch an expensive samurai sword before the city was chosen, The Associated Press reported Tuesday, quoting the head of the bidding committee.

The disclosure came a day after Nagano's mayor, Tasuku Tsukada, said the bidders also gave an IOC official, whom he did not identify, a painting worth thousands of dollars.

News of the gifts have surfaced since the Salt Lake City scandal fueled questions about possible vote-buying during Nagano's successful bid for the 1998



## When the Dust Settles, Pippen Will Be a Rocket

NEW YORK — All sorts of deals are being made, from Scottie Pippen heading to the Houston Rockets to Latrell Sprewell going to the New York

Those transactions should be completed as soon as the National Basketball Association lockout settlement is put into writing and signed. NBA

teams were told Tuesday that training camps would not open until Thursday at the earliest, but that did not stop teams from moving ahead with plans to reseason's start Feb. 5.

Scottie Pippen, who is following and-trade deal sending Pippen to the Michael Jordan out of Chicago.

The Chicago Bulls agreed to a sign-and-trade deal sending Pippen to the Rockets for forward Roy Rogers and a

second-round draft pick, and the Knicks were set to acquire Latrell Sprewell from Golden State for John Starks and Chris Mills, league sources said. Also, Antonio McDyess, the top free agent, was expected to choose between Denver and Phoenix. These other moves were also anticipated:

 Minnesota, Toronto and Denver agreed on a three-way trade sending guard Chauncey Billups to the Noggets, ceoter Dean Garrett and guard Bobby Jackson to the Timberwolves and guard Michael Williams and two No. 1 picks to the Raptors.

 The Bulls signed and traded guard Steve Kerr and center Luc Longley, with Kerr going to San Antonio and Longley headed to Phoenix for forward Martin Muursepp, forward-center Mark Bryant and guard-forward Bubba Wells.

 New Jersey acquired center Jim McIlvaine from Seattle for forwards Michael Cage and Don MacLean.

 The Yugoslav center Vlade Divac agreed to a six-year contract with the

Sacramento Kings.
All of those deals could not be completed until league and union lawyers put the labor settlement into writing. In addition, both sides are trying to resolve several differences that have arisen. The biggest disagreement coocerned the oew average salary exception, which allows teams already over the salary cap to sign an extra free agent. The union wants the exception to be used for six-year cootracts. The league wants it lim-

ned to three-year deals.

The Bulls will sign Pippen to a deal worth \$67.2 million for five years be-fore trading him. The acquisition of Pippeo should clear the way for Charles Barkley to re-sign with Houstoo for the \$1 millioo minimum, giving the Rockets a formidable front line of Barkley,

Pippeo and Hakeem Olajuwon. I am excited about my new career in Houston, and even though everything seems to be changing, I hope Bulls fans everywhere will understand that it is time for a oew era to begin in Chicago, Pippeo said.

### **New Guys Pay Off Fast for Vancouver**

The Pavel Bure deal is already paying off — for the Vancouver Canneks. While the Florida Panthers wait for Bure to join them, the Canucks used a couple of players acquired in the seven-player blockbuster trade to beat the

Dallas Stars, 5-3, on Monday night. "The new players gave us depth more than anything else," said the

NHL ROUNDUP

Canocks' coach, Mike Keenan. Specifically Dave Gagner and Ed Jovanovski. Gagner assisted on Vanconver's first two goals, and Jovan-ovski moved into the No. 1 defensive pairing for the Canocks.

"I was very nervous before the game," Gagner said, "When we got a couple of goals in the first period, that made it easier to relax.'

Gagner centered a line with Markus

Naslund oo the left side and Bill Muck-

alt on the right, and both had goals. Trent Klatt's goal early in the second period broke a 2-2 tie, then Alexander Mogilny added a powerplay goal later in the period to key the Canocks' victory.

Sabres 4, Panthers 0 In the mean-time, the Panthers had their problems. Dominik Hasek stopped 33 shots for his eighth shutout of the season, leading the visiting Sabres to victory. Hasek, also the league leader in victories (22) and save percentage, recorded his 41st career shutout to

help the Sabres snap a four-game win-less road streak (0-2-2). "I guess we got some superstar coming in and all of a sudden every-

one thinks the pressure is off everyone else," said Florida's Dino Ciccarelli. Bure, who was traded to Florida oo Sunday, was en route to New York

from Moscow and was expected to

join the Panthers this week.

Bruins 8, Predators 1 Peter Ferraro set op both of Steve Heinze's secondperiod goals to break open the game as the Bruins routed the visiting Pred-

Capitals 4, Canadiens 4 Peter Bon-dra's 300th NHL career goal midway through the third period lifted the Capitals to a tic with the Canadiens. Hurricanes 4, Maple Leafs 2 Garv

Roberts scored two second-period goals, and Ron Francis had three assists as the Hurricanes beat the visiting Maple Leafs.

Fiyers 5, Senators 0 John Vanhies-brouck stopped 36 shots as the visiting Flyers gained their fifth shutout in six

Mighty Ducks 5, Penguins 3 Marty McInnis scored twice and Fredrik Olaussoo extended his goal-scoring streak to five games as the Mighty Ducks beat the visiting Penguins.

# In Hopes of Playing, They're Putting Their Legs in the Hands of Surgeons

International Herald Tribune **7** ORK, England — Sportsmen and women who push the boundaries of human performance are natural guinea pigs for sur- He is 25, an established professional of geons pushing the boundaries of medicine. The auraction is obvious: A player who hreaks down will try anything to cover and an orthopedic pioneer could not at for a more willing, con-

ditioned and often courageous patient. Two soccer players, their careers icopardized, embody this joining of performing and medical skills. Christian Wuck anxiously awaits keybole surgery on Thursday to determine whether the transplant into his left knee of a dead man's cruciate ligament can save a career that has spanned 153

matches in Germany's Bundesliga. In England, Ryan Carmody is to andergo left knee surgery combined with having his thigh bone reduced by 3 centimeters (1½ inches) because the left leg is longer than the right. With luck and perseverance, Ryan will reemerge as a 5-foot-11-inch pro fit for a playing lifetime rather than the 6-footer

whose sporting ambitions are ruined. Wock and Cannody have the same impulse - to trust doctors who offer hope. The German is more advanced: sporting middle age operated on in Belgium, where the donor was a 50year-old heart attack victim.

.Cambody is a comparative baby. He was 17 and in the act of scoring his first goal under apprentice contract, when the meniscus cartilage in his knee snapped. He has lost a year but, after two eminent surgeons told him nothing could restore him, he has found a spe-cialist who gives him, in writing, a 70 percent chance of full recovery and the prospect of playing for a decade.

"There's no way I am giving up," Carmody said. "If necessary, I would raise the money myself and give it to Mr. Strover. I look up to him. He's got the courage to go for it." Dr. Angus Strover is the surgeon who will perform

Ryan's parents, Bev and John, are licensees of a pub near the medieval walled city of York and, inspired by their European Soccer/Ron Hughes

son, talked of selling the family home to help pay the anticipated £10,000 (\$16,000) cost of the operations. It is not needed. The Professional

Footballers Association, the trade union of English players, on Monday barely sufficient income. stepped in to promise to do everything possible to give Carmody his chance to return as a player, at no cost to himself or his family. Moreover, the unioo persuaded him to begin a college education during the year of surgery and rehabilitation.

ARMODY, while no World Cup prodigy like Michael Owen, is already a veteran of human kindness in soccer. At Lincoln City, the clob where he began as a Government Training Scheme apprentice, the physiother-apist Keith Oakes worked daily, in season and out, to help Carmody maintain upper-body fitness.

salaries, helped him financially. Others encouraged his dogged, almost obsessed determination to defy the odds. And family friends eased the burden of trying to live away from home oo

They saw, all those good-hearted folks, the extraordioary willpower of Ryan Carmody. In the world of soccer, so often portrayed as arrogant and overrewarded, this polite youth simply

rewarded, this polite youth simply would oot give up what he had set his heart oo from the age of eight.

"Ryan was the fastest thing on two legs," said his father, who once was a semi-professional player. "He played in an age group two years older than him and always scored goals."

The goal that ruined his Lincoln aspiration was a beauty. "I saw the full back try to clear the ball, and blocked that." Ryan said. "The ball spun up

that," Ryan said, "The ball spun up and my first touch took me inside the Two players, scarcely a year older full back." From 20 yards, he shot, right footed, high into the net. But the

studs of his left boot caoght in the turf. "I felt a click in the knee," he said, "I turned to walk away, but I just collapsed. My teammates were jumping on me, coogratulating me, and I was shouting: 'My knee! My knee!' "

could run in a straight line, could lift weights all day loog, even shoot. But he couldn't twist and turn. Last summer, eight mooths after the injury, he played a match, played well. And five hours later the knee ballooned up.

A mooth after that, the first specialist to advise him to quit suggested that the meniscus cartilage — a fibrous cushion that prevents the femur booe of the thigh and the tibia of the lower leg from grating — was completely lost. He began chiropractic treatment for back-ache from the discrepancy of his leg measurements.

His best friend in soccer had retired, at 17, through back trouble to become an electrician. His brother Michael, 20,

was forced out of the sport through foot injory and was working in the pub. And Ryan? Still defiant, still dedicated, still persuading people to respood to his refusal to give up. He is not the first. Roberto Baggio,

With no ooe to blame, just a momeot Ruud Gullit and Paul Gascoigne are of capricious fate, he began what was great names who came through opexpected to be four to six weeks' ours- erations that some experts deemed ining of the knee. It went oo and on. He advisable. John Salako has played, on and off, almost 10 years since he flew from Londoo to California for a transplant of dead man's tissue similar to the Belgian operation on Wuck.

Within two weeks, Carmody will take his turn. The thigh bone will be cut and pinned. The knee will be reconstructed either by a donor implant or by grafting tissue from his quadriceps tendon or hamstring. The rest will be a partnership of faith and application be-

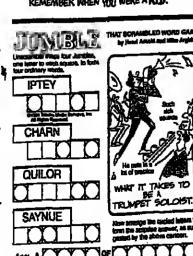
tween player and surgeoo.
"I'm really pleased," said Car-mody."Mr. Strover can't guarantee it, but this is the chance I wanted."

Rob Hughes is the chief sports correspondent of The Times of London.

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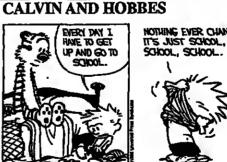
















WIZARD of ID





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DOONESBURY



### Electronic Neighbor

By Jo Thomas New York Times Service

NEW YORK — In the na-tional radio ocean of wisecrack and punditry, canned music and network news, Delilah surfaces night after night with a voice that is altogether different.

From Los Angeles to Long Island, from Jacksonville, Florida, to Bangor, Maine, the new queen of nighttime radio cuts through the lonelioess of traffic jams and dinner dishes, playing requests and sharing stories and feelings, everything but her last name, with listeners. She has 1.2 million a week, her syndicalors say, and she invites them to share, too. By the thousands, they do.

On and off the air, she is the friendly next-door neighbor with time to talk over a virtual backyard fence. She is no doctor; she's the first to say she is February 1996. Broadcast Pronot a counselor, licensed or gramming began syndicating otherwise. But she is more it at the end of that year. She than a disk jockey taking dedications. And although digital technology helps her sound local, her studio is in Seattle. Her two-year-old show is

carried by 176 stations five prise on Sundays.

Dedrick, who screens the calls. (Some 100,000 times a night, people try to get through.) Dedrick, 23, talks to 150 callers each night and passes along the 25 who get the end of her first you on the air. Most of them want lilah had 70 stations. to talk about love, good or bad, found or lost, double way: "People are people. Even deals or sacrificed. Delilah though you can fax someone tapes and edits their conver- across the world, and they can sadons, finds their requests e-mail yon, it seems commuand puts them on the air.

Delilah, 38, has heard most fective. I try to encourage

Reedsport, Oregon, she said, in a family of four children with an alcoholic father and "a classic, raging co-dependent" mother. "They had an abusive marriage, with a lot of physical violence," she recalled. She graduated from high school with honors, but left home the night of her graduation party, after her parents locked her out.

"I left home thinking would escape the insanity," she said. "Little did I know I would become the insanity. When yon're raised where deceit is the norm, you don't grow up normal. You develop survival skills that numb the pain, but eventually end up killing you." She developed an eating disorder, "then I repeated my parents' marriage.

She started her current show in Rochester, New York, in moved back to Seattle, and by January 1997 had 12 stations

adult contemporary music.
"Delilah broke all the evenings a week from 7 to rules," said Jim LaMarca, semidnight, with a recorded re- nior vice president for sales at Broadcasi Programming, a "People guess it's not local radio consulting company, because they hear the Southern callers," concedes Jill division, which also produces "Neon Nights." a country

The target was the 25- to 54-

year-old women who listen to

music show. Station managers, who tend to be men, resisted her at first, LaMarca said. But hy the end of her first year, De-

She explains her appeal this way: "People are people. Even nication is less and less efof it before. She grew up in people to form relationships.

# Happy Ending for Opera's Romeo and Juliet?

By Alan Riding New York Times Service

NYON, Switzerland — Before they met in the early 1990s, Roberto Alagna and Angela Gheorghiu were well on their way to promising careers as opera singers. As a couple, though, they had something extra to offer: a touching love story for the gossip columns and an off-stage passion to bring alive their on-stage rysts. At least when they cry or die in, say, "La Boheme," they really seem to love each other.

Naturally, it has helped enormously that Alagna, 35, is a lyric tenor and Gheorghiu, 33, is a lyric soprano: Many of the best opera roles and most hummable arias are written for soch voices. If they wanted to (although they say this is not their intendon), they could even plan their careers almost entirely around performing with each other. As it is, in the 30 months since they married, they have frequently recorded and appeared on-

stage together.
Yet being a husband-and-wife team in opera is not proving easy, at least not if you are a moody Sicilian-French tenor and a fiery Romanian-born soprano. They like to work in tandem to get their way. but the very chemistry that binds them and excites audiences has had the effect of irritating a good many power brokers of the opera world. Their admirers hope they will grow into a duo as memorable as Luciano Pavarotti and Joan Sutherland. For the moment, though, they are better known as enfants terribles.

Last April, Joseph Volpe, gen-eral manager of the New York Metropolitan Opera, ahruptly withdrew a contract for them to appear in Franco Zeffirelli's new produc-tion of "La Traviata." Jonathan Miller, who has directed them separately, has nicknamed them opera's "Bonnie and Clyde." Wags at Covent Garden call them "the Ceausescus," a less than friendly reference to the deposed Romanian dictator and his wife.

For all that, though, they are still very much in demand, which says something about their talent and appeal. Starting Jan. 23 they will be singing in five performances of Gounod's "Romeo et Inliette" at the Lyric Opera in Chicago. In March they are to sing Mascagni's "Amico Fritz" in Monte Carlo, and to May they are to perform in a duo recital in Paris.

The Met also wants them back. They are expected to do "L'Elisir d'Amore" together there late in 1999. Alagna is to do "Carmen" and Gheorghiu "Turandot" at the Met in late 2000, and they are both to sing Act III of "Rigoletto" in a gala evening that will open the 2001 season, followed a few days later by "La Boheme."
Still, they seem to recognize that

they have something of an image problem: if not with the public, at least with some opera managements. That perhaps explains why they cracked open a bottle of Champagne for a visitor to their comfortable home overlooking Lake Geneva before their trip to the United States. They feel a tad misunderstood, they said, and they wanted to explain themselves.

"If you are unsuccessful, you don't have this problem," Alagna said, speaking urgently as if still bruised by criticism. "From the moment you are successful, people begin to gossip: not the public, but the small circles of opera. Why do people still talk about the fight be-tween Maria Callas and Rudolph Bing at the Mei? Because they were Callas and Bing. Now instead of welcoming two young singers, people invent, they tittle-tattle, they exaggerate everything we do." Alagna conceded that he upset

managements by canceling some engagements, but he said he had good reasons. "My first wife was ill for 18 months before she died in 1994," he said. "During that time I didn't cancel one show because singing was my way of forgetting what was happening in reality. I signed every contract. I did 80 performances a year, I was exhausted.



Roberto'Alagna and Angela Gheorghiu in Chicago.

When I mei Angela and she saw my program, she said I was crazy. I had to reduce the load to keep sane."

Even before his much-vaunted and less-than-triumphant dehui at the Mer in April 1996, experts were warning this stocky former cabaret singer that he was working too much, risking damage to his voice at an early stage of his career. Opera managers, of course, were not amused by last-minute cancellations by a young crowd-pleaser who was being heatedly promoted by his record company as

Today the couple's moments of notoriety are more a function of the complex power structure of the opera world. Young singers must compete fiercely for major roles and have little say over the productions in which they appear. At the other extreme, the likes of Placido Domingo and Pavarotti can more or less define the terms under which they perform. Alagna and Gheorghin are now at a halfway stage: They want their views to be

heard, but they still face resistance. "If you have a conductor who loves you, who loves the voice, who understands what you want to do, that's O.K...' Gheorghiu said. But if you have someone who says. You do it like this, with no explanation, it's a problem. Sometimes we are forced to, hun it is not

our interpretation. Alagna chimed in: "There are conductors who take themselves for Napoleon. The ennductors say they are in charge, only they are right. I think that in every area there should be discussion. If there, is a dictatorship, every one works at 50 percent capacity.

Decor was apparently a factor in Volpe's decision to withdraw the contract for the couple to appear in "La Traviata" at the Met. He said he had shown them the production sketches but had also given them a deadline to sign their contracts. Alagna said he declined because he did not want to be away at that time from Omella, his 7-year-old daughter from his first marriage. but he also criticized the set pro-posed for Act II. And he may have been right. Zeffirelli's production was savaged by New York critics.

For the moment the couple have not insisted on performing together, they said, partly because opera-managements would probably re-fuse, partly because they both have their own favorite operas. But it suits them when opera houses;

bring them together.
"We have joint careers, and we also have separate careers."

Alagna said. "But above all we want to be together in life because otherwise this joh isn't worth doing. We get invitations to sing every day, but we say no more often than yes. We try not to be apart for more than two weeks at a time more than two weeks at a time because we love each other."

Their decision to live in this sleepy town rather than Paris. London or New York reflects a desire for a private life, "to be able to go out to the shops without being bothered," as Alagna put it. And close friends say Nyon has soothed the couple. They are more relaxed. the couple: They are more relaxed as artists and have even learned in .. laugh at themselves.

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#### **PEOPLE**

GET ready for some more animated dysfunction, courtesy of the creator of "The Simpsons." Matt Groening's new cartoon series, "Futurama;" is to make its debut this spring on the Fox televisioo network. It features a pizza delivery boy named Fry who gets inadvertently frozen in a cryogenics lab on New Year's Eve 1999 and wakes up 1,000 years later. Groening gave Wired magazine a description of the show's theme: "If you are a loser; is it possible to reinvent yourself? How do you'deal with the desire for youth, for the return of dead loved over and what does in of dead loved ones, and what does it mean to be finite in the universe? Boy, is this too pretentious or what?"

France has bestowed the Legion of ear-old Thai Veteran of World War L the French Emhassy In Bangkok said Tuesday. Gerard Coste, the French ambassador to Thailand, awarded the medal to Yod Sangrungruang, the sole surviving member of the 1,284 Thai soldiers who served in Europe as part of the Royal Thai Expeditiooary Force, He was an airplane mechanic with the French military,

May, 6, and Gabriel, 1.

Ingmar Bergman is to return to the stage to direct August Strindberg's "The Ghost Sonata" at the Royal Dra-

Last year, Bergman staged "Bildma-karna" (The Image Makers) by Per Olov Enquist. The Swedish stage and screen legend

Jagger May Try a Novel Approach to Divorce

The Associated Press

ONDON — Mick Jagger's publicity agency has come up with a oovel argument to cootest Jerry Hall's divorce petition: The couple was never

Although LD Publicity has offered no further details oo its approach, the

Press Association reported that it relates to Jagger's contention that the

marriage at a Hindu wedding ceremony oo Bali in Indooesia was not legal.

Jagger's lawyers are expected to argue that the religious part of the ceremony

was completed but not the civil part, and that consequently the marriage is oot

together for 21 years and have four children: Elizabeth, 14, James, 13, Georgia

Though their wedding took place in 1990, Jagger and Hall have been

legally recognized in Indonesia and so cannot he recognized in Britain.

And the winner is "Ulysses." That

was the decision of the 47 literary criocs and writers asked by the British bookmatic Theater in Stockholm. A definite seller Waterstone's to choose 10 esdate was not given for opening night. seotial classic novels from any century

Great Garsby" by F. Scott Fitzgerald and "Remembrance of Things Past" by Marcel Proust. These were followed by Virginia Woolf's. 'To the Lighthouse' and George Orwell's "1984."

A mysterious stranger in a threequarter-length black coat left roses and. Cognac at the grave of the poet and writer Edgar Allan Poe in Baltimore on Tuesday, continuing a tradition that began 50 years ago. About a dozen people waited inside and outside Westminster Church for the visitor to arrive at the hrick-walled cemetery just before 3 A.M. The identity of the first mysterious visitor has remained a riddle since the ritual began in 1949, a century after Poe died. The visitor believed to be the original carried on the tradition until 1993, when he left a oote saying, "The torch will be passed."

His followers are carrying on the tribute,

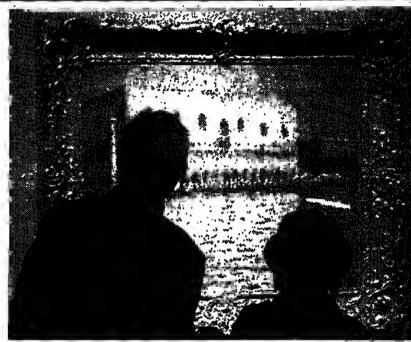
said Jeff Jerome, curator of the Edgar

Allan Poe House and Museum.

that were likely to survive the next mil-

lennium. Finishing in a tie for second to

James Joyce's masterwork were "The



MONET FEVER - Two visitors Tuesday examining one of the 80 Monets on show at London's Royal Academy of Art, which said it may have to stay open 24 hours a day to deal with the demand for tickets.



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